

**FY 2005
ANNUAL ACTION PLAN**

TABLE OF CONTENTS

Annual Action Plan	
Introduction	1
Sources of Funds	1
Resources	2
Amendments.....	3
Leverage Resources	4
Geographic Distribution	5
 One Year Housing Plans & Objectives.....	 8
Housing Objectives	11
Housing Projects	15
 One Year Homeless Plan	 19
Homeless Objectives	21
Homeless Projects	23
 Special Needs Population	 27
Special Needs Objectives.....	28
Special Needs Projects	32
 Neighborhood/Community/Economic Plan	 35
Community Development Objectives	37
Community Development Projects	40
 Administration and Program Delivery	 46
 Other Actions	 49
 Specific Certifications	
CDBG	54
 HOME	
Tenant-based Rental Assistance	55
Resale/Recapture	56
Women/Minority Businesses	58
Affirmative Marketing.....	58
 HOPWA	 60
 ESG	 62
 Monitoring	 63

ANNUAL ACTION PLAN

Introduction

The Program Year 2004 (FY 2005) Annual Plan, covers the period of July 1, 2004 through June 30, 2005, and represents the first year of the City of Memphis' Three-Year Strategy for the 2005 – 2007 Consolidated Plan. It is prepared in compliance with the U.S. Department of Housing and Urban Development guidelines for submission for Federal entitlement funds. The Annual Plan outlines the priorities determined by citizen participation, research, and input from housing and community development professionals, social service providers and others who participated in the planning process. The first Public Hearing, conducted on January 22, 2004 presented the FY 2003 Consolidated Annual Performance Report (CAPER) and announced the start of the planning process for the FY 2005 Annual Plan. The second Public Hearing, conducted on April 1, 2004, presented a draft summary of the Proposed FY 2005 Annual Action Plan.

There are five (5) proposed project/activity categories: Housing, Homeless, Special Needs Populations, Neighborhood, Community and Economic Development (non-housing community development), and Administration and Planning. Together, the proposed activities represent Memphis' efforts to achieve overall and specific objectives, as presented in the priority needs assessments established for the Three-year Strategy.

RESOURCES

Sources of Funds

The following table reflects the estimated amount of funds anticipated from the FY 2005 Federal entitlement and funds reprogrammed from other uses.

Estimated FY 2005 (PY 2005) Funds Expected

Program Name	Estimated Funds
FY 2005 CDBG Program	\$ 9,742,000.00
Projected CDBG Program Income	\$ 2,518,653.00
CDBG Re-Programmed Funds	\$ 6,697,715.00
HOME Program	\$ 5,100,148.00
HOME Program Income	\$ 20,438.00
American Home Dream (ADDI 03 HOME)	\$ 242,531.00
American Home Dream (ADDI 04 HOME)	\$ 286,193.00
Emergency Shelter Grant (ESG) Program	\$ 367,148.00
Housing Opportunities for Persons With AIDS (HOPWA)	\$ 2,134,000.00
TOTAL	\$27,108,826.00

Other Resources

Other resources expected to be available for housing and community development activities from private foundations and other non-entitlement Federal sources. In FY 2005 the City of Memphis will provide General Funds totaling over \$7,000,000 that will be used to develop infrastructure, housing, social and economic initiatives. Other sources of revenue will include low-income housing and historic tax credits, and private-sector equity investments. HCD will continue to apply for funds from other sources, and will support other organizations in their application for resources that enhance and complement the housing and community development Consolidated Plan objectives.

During FY 2005, HCD will continue to leverage its federal entitlement dollars through its partnerships with other government agencies, mortgage companies, lenders, and private investors in the implementation of housing and other development projects.

Other resources include the State of Tennessee who partners with local developers and the City in the development of affordable rental housing initiatives through the low-income housing tax credit and historic tax credit program. Qualifying owners or developers who receive tax credits may receive a dollar for dollar credit against their Federal income taxes for expenses incurred during the course of acquiring and rehabilitating affordable rental housing. HCD will leverage HOPE VI funding by participating in partnership with Memphis Housing Authority and private developers (e.g. Lamar Terrace (University Place); Fowler Home redevelopment – a partnership with a faith-based organization; and, Springdale Trace – a THDA low-income tax credit, multi-family project.

The City of Memphis continues to provide funding for the implementation of HCD's successful Downpayment Assistance Program. Similarly, the down payment assistance program is expected to leverage over \$1,750,000.00 in private mortgage financing in FY 2005.

There are several economic development projects (including Brownsfield development projects) in which Federal entitlement dollars, and city funds continue to leverage funds from other sources. The City of Memphis expects to undertake remediation efforts in the Central Biomedical District that will help to create hundreds of new jobs.

HUD requires a match of 25% for HOME funds. In July of 2003, the City of Memphis was declared a federal disaster area, and the HOME match requirement has been waived through June 2005. The City will require Community Housing Development Organizations (CHDOs) and agencies that receive Emergency Shelter Grant funds to provide their own match with eligible non-federal sources. The competitive grant applications process that HCD uses for entitlement funds, such as CDBG (local community and public services grants), ESG and HOPWA, require commitments from other funding sources.

Amendments to FY 2004 Consolidated Plan/Annual Plan

Priority Area and Program Year	Description of Change and Amount	The Impact
Source: FY 04 CDBG - \$310,538	Add to FY 04: Real Estate Program Delivery - \$310,538	Increases Housing
Source: Closed Activities (2110-63776)/CDBG Reprogram - \$440,700	Add to FY 04: Cleaborn Homes Infrastructure - \$440,700	Increases Neighborhood, Economic & Community Development
Source: Closed Activities (2110-63776)/CDBG Reprogram - \$1,740,000	Add to FY 04: Montgomery Plaza (MHA) Rehabilitation - \$1,740,000	Increases Housing
Source: Closed Activities (2110-63776)/CDBG Reprogram - \$360,000	Add to FY 04: Fowler Homes (MHA) Demolition - \$360,000	Increases Housing
Source: Closed Activities (2110-63776)/CDBG Reprogram - \$290,000	Add to FY 04: Fowler Homes (MHA) Infrastructure - \$290,000	Increases Housing
Source: Closed Activities (2110-63776)/CDBG Reprogram - \$500,000	Cancel Project # 74 FY 04 – Coach and Four Demolition - \$500,000	Decreases Neighborhood, Economic & Community Development
Source: Closed Activities (2110-63776)/CDBG Reprogram - \$100,000	Cancel Project # 67 FY 04 – Grant School Demolition - \$100,000	Decreases Neighborhood, Community & Economic Development
Source: Closed Activities (2110-63776)/CDBG Reprogram - \$30,791	Cancel Project # 111 FY 04 – Pontotoc Lauderdale II - \$30,791	Correction and decreases Housing
Source: PY 01 – HOME - \$1,000,000	Cancel Project # 62 FY 04 FY 04 – Mallard Pond - \$1,000,000	Correction – Duplicate funding
Source: PY 01 – HOME - \$100,000	Cancel Project # 64 FY 04 – Thomas (596) Apartment Rehab - \$100,000	Correction – Duplicate funding
Source: PY 01 – HOME - \$250,000	Cancel Project # 66 FY 04 – Wellington/Walker Apartment Rehab - \$250,000	Correction – Duplicate funding
Source: HOME PY 01 - \$559,300	Decrease funding source and amount for Project # 3 Cleaborn Homes (Re) construction - \$559,300	Decreases Housing
Source: Closed Activities (2110-63776)/CDBG Reprogram - \$500,000 and CD Float-fund Program Income - \$1,000,000	Increase and revise funding source and amount for Project # 75 Lamar Terrace Acquisition - \$1,500,000	Increases Neighborhood, Community & Economic Development
Source: Closed Activities (2110-63776)/CDBG Reprogram - \$180,000	Decrease amount for Project # 28 College Park Lighting - \$180,000	Decreases Neighborhood, Community & Economic Development
Source: FY 04 CDBG - \$18,648 and CDBG Program Income - \$831,352	Revise source amounts for Project # 15 Down Payment Assistance – No change in total funding of \$850,000	No net impact
Source: FY 04 CDBG - \$67,576 and CDBG Program Income - \$247,229	Revise source amounts for Project # 16 Section 108 Loan Repayment – No change in total funding of \$314,805	No net impact
Source: PY 03 HOME - \$2,101,940 and Reprogram HOME PY's 98-01 - \$627,836 and Closed Activities (2110-63776)/CDBG Reprogram - \$1,000,000	Decrease funding source and amount for Project # 09 Single-family Housing Rehabilitation - \$3,729,776	Decreases Housing
Source: FY 04 CDBG - \$1,302,486 and CDBG Program Income - \$1,213,234	Decrease funding source and amount for Project # 13 Replacement Housing - \$2,515,720	Decreases Housing
Source: FY 04 CDBG - \$265,000	Decrease funding for Project #52 Development Relocation to \$265,000 only	Correction and decreases Neighborhood, Community & Economic Development
Source: FY 04 CDBG - \$2655.50 and Closed Activities (2110-63776)/CDBG Reprogram - \$36,202.50	Increase funding source and amount for Project # 79 Memphis Child Advocacy Center - \$38,858	Increases Neighborhood, Community & Economic Development
Source: FY 04 CDBG - \$66,449.50	Increase funding for Project #40 Office of Finance & Admin Program Delivery - \$66,449.50	Increases Administration, Housing, Homeless, Special Needs, Neighborhood-Community-Economic Development
Source: FY 04 CDBG – Program Delivery	Corrections to the following proposed Program Delivery Costs: Director - \$32,129; Social Services - \$136,651; -Real Estate Dev - \$307,397; Planning & Grants - \$203,627; Office of Finance & Admin – \$49,527 ; HARP/Replacement – \$762,496;	Increased Program Delivery total by \$267,927
Source: FY 04 CDBG - Administration	Corrections to the proposed Administration Costs- \$1,778,452	Decreased Administration total by \$58,114
Source: FY 04 CDBG - Administration	Corrections to the proposed Administration Costs- \$1,778,452	Decreased Administration total by \$58,114

Source: FY 04 CDBG - HOUSING	Corrected and Increased funding for Project # 13 – Replacement Housing to \$1,388,530	Fiscal Correction
Source: FY 04 CDBG - HOUSING	Funded Project #11 – Volunteer Housing with \$200,000 in CDBG; increase of \$75,542 in CDBG and deleted Program income funding by \$75,542	Fiscal Correction; no net impact on Housing
Source: FY 04 CDBG - HOUSING	Increased funding for Project # 10 Senior Citizens Minor Home Repair to \$600,000; decreased funding for Project #13 – Replacement Housing by \$350,000	Increased funding amount; no net impact on Housing
Source: FY 04 CDBG Public Services	Fund new project Partners for the Homeless (HMIS)	Increase Homeless
Source: PY 02 HOME – HOMELESS and SPECIAL NEEDS	Cancel \$300,000 funding for Mid-South Health Net (funded under Project #54 – Continuum of Care Match) and increase funding for Alpha Omega Veteran Construction to \$500,000 (funded under Project #54 - Continuum of Care Match)	No net impact to Homeless/Special Needs
Source: PY 03 HOME; PY 02; and PY 01 HOME – HOUSING	Fund new project MHA-Acquisition of Parkway Common; \$2,172,229; close-out and re-programmed HOME funds from: Single Family Replacement Housing (\$1,914,992), Cleaborn Homes (\$559,300); LBP/CHDO (\$257,237)	New Housing project
Source: FY 04 CDBG, Program Income and Closed Activities (2110-63776)/CDBG Reprogram	Increase funding for Project # 77 MHA-Acquisition of Weaver Field/Richmond Place by \$965,000. (Cancel Project # 78 – MHA Multi-family Rehab and use the \$500,000 funding; \$300,000 from CDBG Closed activities/reprogram funds; and \$165,000 from Fowler Home Demolition Project)	Increased funding; no net impact on Housing
Source: PY 01 HOME – HOUSING	Close-out and reprogram PY 01 HOME funds (\$420,000) from CHDO/Lead Paint to CHDO capacity building for seven (7) new CHDO's each receiving \$60,000	No net impact on Housing
Source: FY 04 CDBG – Neighborhood Development	Cancel Project #39 Boys Club/Dixie Homes (\$100,000) and use funds to increase Project # 45 Boys Club Porter Gym to \$290,000. Fund new project Boys/Girls Club/Bus Repair (\$10,000)	No net impact to Neighborhood, Community Development

Leveraging of Resources

This section describes how HCD leverages its Federal entitlement dollars in order to maximize the benefits of housing and community programs for the City of Memphis. In 2005, HCD will continue to leverage its federal entitlement dollars through its partnerships with other government agencies, mortgage companies, lenders, and private investors in the implementation of housing and other development projects.

Other resources include the State of Tennessee who partners with local developers and the City in the development of affordable rental housing initiatives through the low-income housing tax credit and historic tax credit program. Qualifying owners or developers who receive tax credits may receive a dollar for dollar credit against their Federal income taxes for expenses incurred during the course of acquiring and rehabilitating affordable rental housing. HCD will leverage Federal entitlement funds (and City funds) by acting as a partner in a tax-credit project: the implementation of the mixed-financed UpTown HOPE VI housing development project.

The City of Memphis continues to provide funding for the implementation of HCD's successful Downpayment Assistance Program. Similarly, the down payment assistance program is expected to leverage over \$2,000,000.00 in private mortgage financing in FY 2005.

There are several economic development projects (including Brownfields development projects) in which Federal entitlement dollars, and city funds continue to leverage funds

from other sources. Jackson Avenue commercial corridor is targeted for façade improvements, streetscape, and assistance to businesses located in the area. Remediation and rehabilitation of historic buildings at the Court Square Center in Downtown Memphis will produce housing and retail facilities. University Place (formerly Lamar Terrace) contains an economic development component to encourage commercial/retail development. HCD will work with several CDC's on various economic development projects, such as the Frayser retail study being undertaken and with Hickory Hill to address the concerns of business owners.

The City has several economic development programs that use Federal entitlement funds and city funds to leverage additional funds from other sources. The Renaissance Business Center is a "one stop shop" that provides business assistance to small, minority, and women businesses. The Center houses multiple services, programs, and agencies to address this goal. The Center also has staff designated to work in target areas to provide information about incentives to existing businesses, work to attract new businesses, and develop a plan for economic opportunities. The Business Opportunity Fund is a joint venture between the City, banks, home loan banks, and Southeast Community Capital that makes loans up to \$500,000.00 to small businesses. The Contractor's Assistance Program is designed to assist small, minority, and women contract firms by providing assistance with technical assistance, bonding, insurance, and capital.

Geographic Distribution of Funds

Neighborhoods targeted for project activity were selected according to the following criteria:

- ☐ Location
- ☐ Amount of investment already occurring or planned
- ☐ Presence of a viable CDC/CHDO
- ☐ Assets present in the neighborhood
- ☐ Ability to attract private investment
- ☐ Ability to sustain and leverage city/federal investment

The targeted neighborhoods are grouped into categories as shown below.

Level 1: Will be targeted for significant city/federal investment over the next two years (2004-2005) due to amount of existing public and private investment in the area

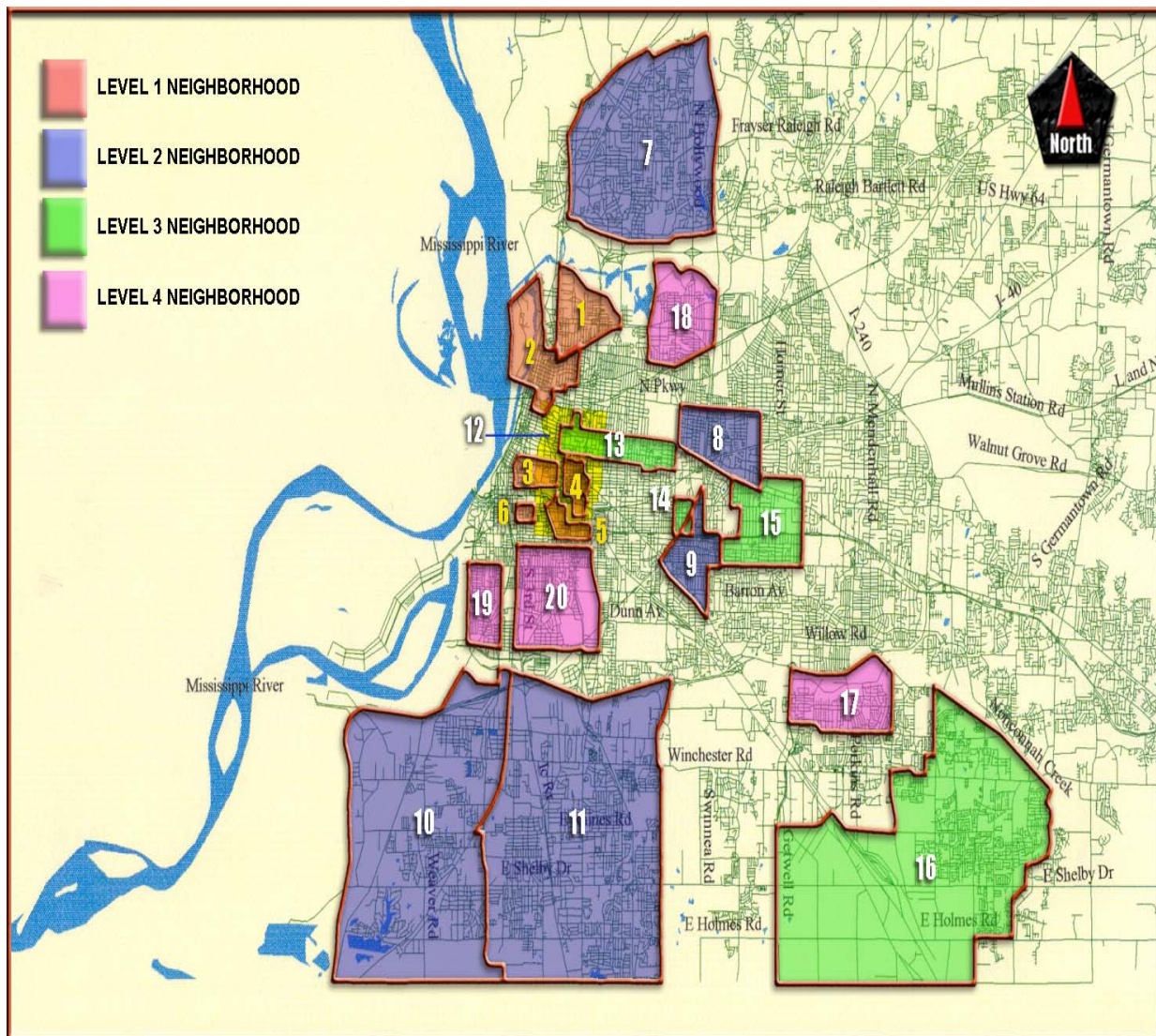
Level 2: Include substantial city/federal investment, but at an amount less than Level 1 also due to existing initiatives in these communities

Level 3: Will receive attention but less than Level 2-most of the activities in the area are led and will be sustained by other organizations/entities

Level 4: Will be targeted for significant city/federal investments in years 2006-2007 (will become Level 1)

Level 1	Level 2	Level 3	Level 4
1. Uptown	1. Whitehaven/ West Whitehaven	1. Hickory Hill	1. Hyde Park (or) Hollywood/Chelsea
2. New Chicago	2. Orange Mound	2. Medical Center	2. South Memphis
3. Fowler Homes	3. Frayser	3. Madison Heights	3. Riverview- Kansas
4. College Park/Soulsville	4. Binghampton	4. University of Memphis	
5. St. Patrick's/ Linden/Pontotoc	5. Douglas	5. Fairgrounds	
6. Lamar Terrace/ Elmwood	6. Cooper-Young		
	7. Klondyke/Jackson Ave		

The following section presents the four (4) priority categories and the proposed projects and activities designed to meet priority needs as identified in the 2005-2007 Strategic Plan.

Metropolitan
Area Strategic Master

LEVEL 1 NEIGHBORHOOD

- 1. New Chicago**
- 2. Uptown**
- 3. Linden/Pontotoc/St. Patrick's**
- 4. Lamar Terrace/Elmwood**
- 5. College Park/Soulsville**
- 6. Fowler Homes/COGIC Redevelopment**

7. Frayser
8. Binghampton
9. Orange Mound
10. West Whitehaven
11. Whitehaven

12. **Bio-tech/Medical Center Project**
13. **Madison Heights**
14. **Fairgrounds Recreation Project**
15. **University District**
16. **Hickory Hill**

17. **Mall of Memphis/Mt. Moriah**
18. **Hyde Park/Hollywood**
19. **Riverview-Kansas**
20. **South Memphis**
21. **New Arena Area Project**

Prepared By:
City of Memphis-MHA/HCD
Development

S.M.A.R.T. Neighborhood Revitalization

Housing

In this section of the Annual Plan, housing projects, programs and activities are presented that, in FY 2005, will respond to the priority needs and specific objectives identified in the strategic plan. Proposed accomplishments are presented as measurable objectives. Housing projects and programs are primarily funded through the CDBG, HOME Program and City funds. The Division of Housing and Community Development (HCD) will continue to support the roles of Community Housing Development Organizations (CHDO's), the Faith-Based community, and community-based development organizations in the provision of housing rehabilitation, homeownership and rental housing development. The City will use HOME/American Home Dream Program and City funds to implement its Downpayment Assistance Program.

The City will continue to implement neighborhood redevelopment initiatives that target its housing and community development resources to specific areas and neighborhoods. Memphis' commitment to providing assistance in maintaining homes owned by low-income residents continues with the modified owner-occupied rehabilitation programs in FY 2005 and are funded with HOME and CDBG funds. The City also will fund a non-profit housing provider, United Housing Inc. to implement a small home improvement loan program for those with incomes greater than 60% of the median family income for the city.

In late 2003, the City received a Lead-Hazard Demonstration Grant through the SuperNOFA totaling \$2,599,715 to inspect and clear 285 multi-family housing units of lead paint. Also, HCD and its Single-family Rehabilitation Program will partner with the Shelby County Housing Department to use the county's HUD Lead-Paint Grant to remove lead-based paint while the city's program will rehabilitate owner-occupied housing units with children under six (6) years of age.

The City's response to rental housing needs for low-to-moderate income renters will continue in FY 2005. HCD will redesign its rental housing programs and will provide funding through the request-for-proposals. Implementation of the redesigned rental housing program will focus on providing enhanced private-sector investment incentives for the construction and rehabilitation of rental housing. Efforts will be made to determine private sector responses to initiatives that will target rental housing development to redevelopment areas. HCD's new approach will include the acquisition of land and/or buildings that may be used in ways that would leverage private sector investments. The City's use of the Affordable Multi-family PILOT Program (Payment-in-lieu-of-Taxes) will receive increased promotion by the HEHF Board and HCD. Low-income tax credit applications by developers will also be encouraged and supported by the city.

Memphis will also collaborate with Shelby County government's building and zoning agencies in removing barriers to the production of affordable housing. As a priority housing need, removal of those barriers will focus on the review and revision of zoning regulations and local building codes. Memphis' Code Enforcement Department became part of HCD's institutional structure in 2004 as an extension of redevelopment plans and a recognized need to enhance and concentrate code enforcement. Examination of model "Smart Codes" will occur with the idea that this model may prove useful to the City in its efforts to address housing and environment problems.

Anti-Poverty Strategy

The Division of Housing and Community Development proposes to fund several initiatives whose purposes are to reduce poverty in Memphis. HCD works with the Memphis Housing Authority through their *Section 8 Homeownership Program* in which HCD coordinates and provides technical assistance by qualifying residents for down-payment assistance and mortgage loan qualification. Memphis uses the allowable 15% of CDBG funds for community and public services needs. HCD also participates in the Memphis Opportunity Fund and other programs that provide job and life skills training, assisted and transitional housing, and micro-enterprise development. Job creation through major economic development activities is another critical part of HCD's strategy. A majority of the funding used to support job/life skills training and micro-enterprise development is provided through direct City general revenue funding. In 2005, HCD proposes to fund Women in Community Services, a skills and employment training program, to assist seventy-five (75) women who participate with the Families First Memphis consortium. As prescribed by HUD, assistance to low and moderate income families remains a focal point of HCD's mission.

In FY2005, HCD will provide opportunities for public housing residents and will implement projects that will support public housing in general. Among the programs funded (with both Federal and local funds) that will be available for public housing residents include a peer-led health program through Girls, Inc., the RISE Foundation's savings and financial literacy programs, a leadership program for residents, and an incentive program for youth who perform well in school. Additionally, HCD's down payment assistance program will provide up to \$10,000.00 to public housing residents who are seeking to become homeowners. HCD is also a partner in the Section 8 Homeownership program that enables families to use Section 8 subsidies to assist with the mortgage payment. This program in combination with HCD's down payment assistance program can help meet a critical initial gap and assist public housing residents to become homeowners.

Public Housing Needs

The Memphis Housing Authority (MHA) has identified the following specific needs in its 2004 PHA plan:

- Replacement of obsolete public housing stock
- Guaranteed housing for current residents
- Mobility counseling system that assists residents with relocation and case management
- Renovation of viable family housing
- Modernization of developments for senior citizens and persons with disabilities
- Reduce the vacancy rate
- Implement site-based professional management
- Institute a coordinated case management system
- Increase job opportunities
- Complete transition to a new enforceable lease
- Continue the efforts to restructure and reorganize to make operations more effective and efficient

As of April 2004, MHA 4636 public housing units in the MHA inventory, although 1133 are scheduled to be demolished, leaving 3503 available for occupancy. The 2004 PHA plan states that 3983 families are on the waiting list for Housing Choice Vouchers (Section 8) tenant-based assistance. The plan also reports 4284 families on its (open) waiting list for public housing units.

Actions to evaluate and reduce lead-based paint hazards

In 2003, Memphis received a Lead-Hazard Demonstration Grant through the SuperNOFA totaling \$2,599,715 to inspect and clear 285 multi-family housing units of lead paint. Also, HCD and its Single-family Rehabilitation Program will partner with the Shelby County Housing Department to use the county's HUD Lead-Paint Grant to remove lead-based paint while the city's program will rehabilitate owner-occupied housing units with children under six (6) years of age.

The HCD HARP program will continue to use both CDBG and HOME funds in its owner-occupied rehabilitation efforts. HCD will set aside five percent of HOME funds for CHDOs who will use the funds for housing rehabilitation. Lead hazard reduction funding for CHDOs is a non-competitive process.

The priority housing needs, specific objectives and measurable outcomes are presented as follows:

Housing Objective I: *To assist in the development and production of affordable rental housing especially for the elderly and families with children*

Priority Needs Category – Rental Housing Development

Strategies

- Use the Payment In Lieu Of Taxes Program (Health, Education & Housing Facilities Board)
- Develop partnerships with HUD 202 Housing developers who will focus their efforts in targeted areas.
- Redesign HCD's rental/multi-family Housing Program
- Develop incentives for Community Housing Development Organizations to develop rental housing

FY 2005 Performance Measures

- Elderly Rental 15 Units
High priority is given to < 30% MFI
- Multi-family Units 65 Units
 - Small Related Renters (35 Units)
High priority is given to < 30% MFI (20 Units)
High priority is given to 31 to 50% MFI (15 Units)
 - Large Related (15 Units)
High priority is given to 0 to 30% MFI
 - Other Renters (15 Units)
High priority is given to < 30% MFI

Proposed Project(s) to meet Housing Objective I

*Tenant Based Rental Assistance
 Section 108 Loan (Repayment)
 Targeted Rental/Multi-Family Housing Development
 CHDO Projects*

Housing Objective II: *To assist the development and production of single-family, owner-occupied housing*

Priority Needs Category – Development of Single-family, Owner-occupied Housing

Strategies

- Acquire and offer property in a manner that would provide incentives for private sector development of affordable housing
- Leverage City general funds to encourage the development of single-family owner-occupied housing
- Increase the support of housing development organizations who provide credit and homeownership counseling

FY 2005 Performance Measures

- Single-family Housing Development 25 Units
 - High Priority is given to 31% - 50% of MFI* 10 Houses
 - Medium Priority is given to 60% - 80% of MFI* 15 Houses

Proposed Project(s) to meet Housing Objective II

Frayser Single-family Housing Development Project
Targeted Infrastructure Program
CHDO Projects

Housing Objective III: To provide direct and indirect assistance to efforts that preserve and prevent the loss of existing housing

Priority Needs Category – Preservation and Prevention of Losses to Existing Housing

Strategies

- Continue the use of the Single-family Rehabilitation and Replacement Housing Programs
- Continue the Minor Home Repair Program
- Leverage the use of Lead-based paint resources through partnerships with private sector rental property owners and Shelby County government

FY 2005 Performance Measures

- Owner-occupied Rehabilitation 175 Units
Homeowners (including elderly)
High priority is given to 31% to 50% MFI
- Multi-family Rehab 80 Units
 - Small Related Renters (20 Units)
High priority is given to < 30% MFI
 - Large Related Renters (20 Units)
High priority is given to < 50% MFI
 - Elderly Renters (20 Units)
High priority is given to < 50% MFI
 - Other Renters (20 Units)
High priority is given to <30% MFI

Proposed Project(s) to meet Housing Objective III

Single-family Housing Rehabilitation

Replacement Housing Program

Senior Citizen Minor Home Repair

Low-Moderate Homeownership Assistance

Multi-Family Housing Program

CHDO Projects

Lead-Hazard Reduction Demonstration Grant

Housing Objective IV: To implement housing development programs and activities in targeted areas based upon the housing needs of the area

Priority Needs Category –Targeted Housing Development

Strategies

- Stimulate investment in the development and new construction of both rental and single-family housing
- Use City General Funds for capital improvements that may provide infrastructure improvements in areas that will contain rental or single-family housing developments
- Target the HARP and Replacement Housing Programs
- Expand the housing development activities of CHDOs to include rental housing development
- Acquire and offer property in a manner that would provide incentives for private sector development of affordable housing

FY 2005 Performance Measures

- Rental 75 Units
 - Small Related Renters (25 Units)
High priority is given to < 30% MFI
 - Large Related Renters (25 Units)
High priority is given to 31% to 50% MFI
 - Elderly Renters (25 Units)
High priority is given to < 30% MFI
- Homeowners 50 Units
 - Single-family, new construction (25 Units)
Medium priority is given to 31% to 50% MFI
 - Single-family, new construction (25 Units)
High priority is given to 51% to 80% MFI

Proposed Project(s) to meet Housing Objective IV

Frayser Single-family Housing Development

CHDO Projects

Multi-family Housing Programs

(City of Memphis C.I.P. - Infrastructure) Non-Federal Funds

Housing Objective V: To provide assistance to first-time homebuyers

Priority Needs Category – First Time Homebuyers

Strategies

- Continue to provide Downpayment Assistance Program
- Provide homeownership counseling for first time homebuyers

FY 2005 Performance Measures

- Down Payment Assistance 65 Clients
 High Priority is given to 50% - 60% of MFI (25 Homeowners)
 High Priority is given to 60% - 80% of MFI (45 Homeowners)
- Homeownership Counseling 250 Clients

Proposed Project(s) to meet Housing Objective V

Homebuyer Down Payment Assistance (DPA)

CHDO Projects

Housing Resource Center

Following is the list of proposed housing projects in accordance with priority housing needs.

FY 2005 Housing Proposed Projects and Funding

Project Name	Funding Source(s)	Funding Amount
CHDO Projects	HOME	\$765,022.00
CHDO Lead/Environmental	HOME	\$257,237.00
Minor Home Repair Program	Program Income	\$250,000.00
HARP Replacement Housing Program	HOME	\$1,400,000.00
	CDBG Reprogrammed	\$568,127.00
HARP Single Family Housing Rehabilitation Program	CDBG Reprogrammed	\$2,250,000.00
Section 108 Loan Repayment	Program Income	\$314,805.00
Low/Mod Homeowner Assistance Program	Program Income	\$250,000.00
Pontotoc/Lauderdale II	Program Income	\$29,253.00
Targeted Rental/Multi-Family Housing Development	CDBG	\$1,074,985.00
	HOME	\$812,866.00
	CDBG Program Income	\$68,941.00
	HOME Program Income	\$20,438.00
Frayser Single-Family Housing Development	CDBG	\$500,000.00
Down Payment Assistance – American Home Dream Program	HOME (AADI 04)	\$286,193.00
	HOME (ADDI 03)	\$242,531.00
TOTAL		\$9,090,398.00

FY 2005 Proposed Housing Program/Project Descriptions

CHDO Projects

Funding Sources: HOME \$765,022.00

HCD sets aside fifteen percent of the annual HOME entitlement for Community Housing Development Corporation (CHDO) projects. These funds are used for development projects, specifically single family (homeowner) or rental development. These funds are awarded to eligible CHDO's through a competitive process and will be incorporated into the final draft of the plan.

CHDO Lead/Environmental Program

Funding Sources: HOME \$257,237.00

CHDO's will use these funds to support single-family housing rehabilitation efforts that require the removal of lead-paint, mold, or other environmental hazards.

Minor Home Repair

Funding Sources: Program Income \$250,000.00

This program provides assistance to low income elderly or disabled homeowners to repair conditions in their homes that directly affect the health and safety of the residents.

Replacement Housing Program

Funding Sources: HOME \$1,400,000.00
CDBG Reprogrammed \$568,127.00

The replacement program addresses the City's anti-displacement policy. When an owner-occupied house has severe code violations and may not be rehabilitated under the Single-family Rehabilitation Program, it may require demolition. The replacement-housing program constructs new houses on-site or assists eligible participants to locate and purchase a home when the home may not be rebuilt on-site.

HARP Major Rehabilitation Program

Funding Sources: CDBG Reprogrammed \$2,250,000.00

The single family rehabilitation program provides financial and construction assistance to low and moderate income homeowners who need repairs to their homes. This program mainly focus on bringing housing units up to code by completing major repairs including lead-paint abatement.

Section 108 Repayment

Funding Sources:	Program Income	\$314,805.00
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These funds will be used for the repayment of a Section 108 loan from HUD for the rehabilitation of a 243-unit apartment located in the Whitehaven community. Low-income persons occupy over 90% of the units in this complex.

Low/Moderate Homeowner Assistance Program

Funding Sources:	Program Income	\$250,000.00
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These funds will be provided to a non-profit housing development organization to implement a small home improvement loan program for homeowners whose incomes exceed sixty percent (60%) of the median family income.

Pontotoc/Lauderdale II

Funding Sources:	Program Income	\$29,253.00
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The City will purchase land and vacant lots to continue the housing development activities in the Pontotoc/Lauderdale area by St. Patrick's CDC.

Targeted Rental/Multi-Family Housing Development

Funding Sources:	CDBG	\$1,074,985.00
	CDBG Program Income	\$68,941.00
	HOME	\$821,866.00
	Program Income	\$20,438.00

The funds for the Targeted Rental/Multi-Family Housing Development Program will be leveraged against private sector investments that will be used in targeted areas of the City. Loans and or grants will be used to establish partnerships with developers who will rehabilitate or construct rental housing units for low and moderate-income families.

Frayser Single-Family Housing Development

Funding Sources:	CDBG	\$500,000.00
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Funds will be used to assist the construction of single-family houses for first-time homebuyers in a targeted area.

DPA-American Home Dream Program

Funding Sources:	HOME (ADDI 04)	\$286,193.00
	HOME (ADDI 03)	\$242,351.00

American Home Dream Downpayment Initiative (ADDI) funds will be used to implement the City Downpayment Assistance Program. This program helps low/moderate income first-time homebuyers to make down payments and to pay closing costs on home eligible purchases. To be eligible, participants must meet low and moderate income and local guidelines. Assistance is available towards the purchase of single family residences, townhomes, and zero lot-line homes. Although the program will apply city-wide, Memphis will emphasize the use of this program in areas targeted for redevelopment.

HOMELESS

This section presents the Annual Action Plan that will address homeless priority needs and specific objectives as identified in the Three-year strategy. Specific objectives for FY 2005 correspond to identified priority needs. Priority needs are determined through the process used to develop the Consolidated Plan and are adjusted based upon information obtained from the annual homeless needs assessment. Measurable outcomes are formulated to show planned accomplishments in meeting the priority needs and specific objectives. Some CDBG funding is used along with Emergency Shelter Grant (ESG) funds which are exclusively used to assist the majority of homeless projects and programs. ESG awards are determined through a competitive grant application process that considers requests for funding from agencies and service providers who provide shelter and implement services that meet the needs of homeless persons. CDBG funds are provided to Partners for the Homeless (Partners) and The Greater Memphis Interagency Coalition for the Homeless (GMICH) to coordinate the planning and research of the homeless population. They also gather input and information from homeless service providers and facilitate the Continuum of Care application process.

Priority Homeless Needs

Partners, homeless service providers, and other key stakeholders coordinate with GMICH to produce the FY 2004-2005 Needs Assessment for Homeless Populations. Partners, a public-private partnership supported by the City of Memphis, Shelby County, and local foundations and businesses, coordinates and facilitates the Continuum of Care application process and maintains the Homeless Management Information System (HMIS) Database, a homelessness system-wide database of information provided by local agencies serving homeless people. The database, while incomplete, provides a wealth of information and a solid basis for determining numbers and needs. GMICH coordinates and conducts a retreat to solicit community input into the planning process for the Needs Assessment and Gaps Analysis for the City's Consolidated Plan and the Continuum of Care application. GMICH also publishes a directory of services, shelters, and transitional housing programs specifically for homeless people, including individuals unaccompanied by children and families with children, which is updated annually. The directory also includes agencies and organizations that serve the broader community, including individuals and families threatened with homelessness.

The FY 2004-2005 Needs Assessment for Homeless Populations provides a realistic assessment of the gaps between existing inventory and estimated needs for the homeless population. It is important to note that there are limitations to the assessment. Not all agencies are required to participate in gathering data on clients and not all agencies collect the same data. Due to this fact, the assessment reflects a conservative count/estimate of the numbers of people who requested and/or received services, shelter, transitional housing and permanent supportive housing. Even though there are limitations to the data, the assessment provides excellent information and allows for the formulation of high priority needs. The high priority needs for the homeless are as follows:

Homeless Individuals:

Permanent (supportive) housing is given a high priority due to the low number of units. The estimated number of individuals and the inventory of beds proportionally represents a much greater unmet need than the needs for emergency shelter and transitional housing. Although units available to meet emergency shelter needs are adequate at this time, providers and other key stakeholders emphasize a need to respond to the high number of seriously mentally ill persons by developing a "SafeHaven". Turnaway data from the assessment center and transitional housing programs further support the high priority established for the seriously mentally ill and dually diagnosed homeless sub-populations which also will be served by the "SafeHaven". Case management, housing placement, life skills training, and outreach were all assigned a high priority due to the large unmet needs.

Homeless Persons in Families with Children:

Providers and the community-at-large stress the need for additional units of emergency shelter, particularly for families with older children, and for families with "true" emergency needs (very short-term and unlikely to reoccur). Transitional housing and permanent supportive housing were also assigned High priorities; transitional housing primarily because of the large unmet need, and permanent supportive housing due to the lack of inventory and the vulnerability of the population to be served.

The sub-group of seriously mentally ill was assigned a High priority, primarily due to the extreme vulnerability of the clients and the need for permanent supportive housing for these families. Persons with HIV/AIDS were assigned a High priority, primarily due to the vulnerability of the clients and in recognition of the need for transitional housing for families.

The FY 2005 Annual Action Plan's priority needs, specific objectives and measurable outcomes for Homeless are presented in the following tables.

Homeless Objective I: To increase the number and quality of both transitional housing and emergency shelters for homeless families.

Strategies:

- Encourage the creation of additional emergency shelters units that can accommodate families with children over the age of eleven
- Support the development of additional units of transitional housing for larger families with children
- Support the creation of rental units for families/individuals, particularly for those graduating from transitional programs

FY 2005 Performance Measures

- Develop/create additional emergency shelters units that can accommodate families with children over the age of eleven 10 units
- Develop/create additional units of transitional housing for larger families with children 13 units

Proposed Project(s) to meet Homeless Objective I

YWCA
Memphis Family Shelter
Memphis Interfaith Hospitality Network
MIFA Estival Communities
Salvation Army
Homeless/Special Needs Match (Continuum of Care)

Homeless Objective II: To encourage and broaden participation in discharge policy planning amongst institutions that serve homeless individuals with serious mental illness and/or dual diagnoses

Strategies:

- Encourage the development of two gender-specific 24-hour Emergency Shelters (SafeHavens) for homeless individuals with severe mental illness and dually-diagnosed
- Support the refinement and expansion of the discharge policy

FY 2005 Performance Measures

- Develop/create a gender-specific 24-hour Emergency Shelters (SafeHavens) for homeless individuals with severe mental illness and dually-diagnosed 1 shelter
- Continue to refine and expand the discharge policy

Proposed Project(s) to meet Homeless Objective II

Homeless/Special Needs Match (Continuum of Care)
Catholic Charities
Lowenstein House
Whitehaven Southwest Mental Health Center

Homeless Objective III: To create and expand outreach efforts that will result enhanced service and housing delivery, timely information, and access to housing and services

Strategies:

- Improved street outreach is needed in order to achieve a case manager/client ratio of 1:10 to 1:15 ratio, to those chronically homeless, service-resistant individuals, many of whom do not seek or accept emergency shelter, services or transitional housing
- Encourage a consistent presence of outreach teams on the streets outside the downtown area
- Support the coordination of efforts of transitional housing providers to better serve the needs of all clients
- Develop one central contact for information regarding access to permanent supportive housing

One-Year Performance Goals

- Develop a program through the Continuum of Care process that serves as a central contact for information regarding access to permanent supportive housing
- Define expanded role for Greater Memphis Interagency Coalition for the Homeless to facilitate the expanded outreach efforts amongst shelter and service providers

Proposed Project(s) to meet Homeless Objective III

Homeless/Special Needs Match (Continuum of Care)

Homeless Objective IV: To encourage and support the development of permanent supportive housing for homeless families and individuals

Strategies:

- Support the development of permanent supportive housing for homeless families
- Support the development of permanent supportive housing for homeless individuals

FY 2005 Performance Measures

- Support the development of permanent supportive housing for homeless families 16 units
- Support the development of permanent supportive housing for homeless individuals 20 units

Proposed Project(s) to meet Homeless Objective IV

Homeless/Special Needs Match (Continuum of Care)

Homeless Objective V: To improve collaboration, coordination, and case management of homeless service providers

Strategies:

- Encourage the provision of information regarding the services and housing that other agencies provide
- Support a coordinated response by agencies and churches to extreme temperatures
- Continue support for the Coalition for the Homeless and Partners for the Homeless
- Support joint service provision and collaborative partnerships

FY 2005 Performance Measures

- Develop a process that provides information regarding the services of service providers and encourages coordination of services
- Expand the role for Greater Memphis Interagency Coalition for the Homeless

Proposed Project(s) to meet Homeless Objective V

Homeless/Special Needs Match (Continuum of Care)

The following table presents the proposed projects and activities that will be used to meet the needs of the Homeless described above.

FY 2005 Homeless Proposed Projects and Funding

Project Name	Funding Source(s)	Funding Amount
YWCA	ESG	\$35,000.00
Catholic Charities	ESG	\$44,331.00
Lowenstein House	ESG	\$35,178.00
Memphis Family Shelter	ESG	\$52,266.00
Memphis Interfaith Hospitality Network	ESG	\$49,423.00
MIFA Estival Communities	ESG	\$45,000.00
Salvation Army	ESG	\$45,000.00
Whitehaven Southwest Mental Health Center	ESG	\$42,593.00
Homeless/Special Needs Match (Continuum of Care)	HOME	\$500,000.00
TOTAL		\$848,791.00

The following list includes a description of the proposed projects and activities.

FY 2005 Proposed Homeless Program/Project Descriptions

YWCA

Funding Source:	ESG	\$35,000.00
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YWCA will use these funds to pay for the maintenance and operational expenses of an emergency shelter. The agency will serve 350 women and their children in imminent danger of a domestic abuser.

Catholic Charities, Inc.

Funding Source:	ESG	\$35,000.00
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Catholic Charities will use these funds for essential services, including the salary of a residential service coordinator that will provide continued long-term care services for homeless persons with severe and chronic mental illness as well as the dually diagnosed.

Catholic Charities, Inc.

Funding Source:	ESG	\$9,331.00
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Catholic Charities will use these funds for rehabilitation of one of their facilities. The facility serves dually diagnosed individuals who are homeless and are in need of a twenty-four hour, seven day a week structured inpatient residential treatment program that helps clients move from transitional housing to stable, permanent housing.

Lowenstein House

Funding Source:	ESG	\$15,728.00
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Lowenstein House will use these funds for essential services including the salaries of a Housing Case Manager and an Intake Case Manager who will assist current staff with the implementation of essential services and homeless prevention activities.

Lowenstein House

Funding Source:	ESG	\$9,850.00
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Lowenstein House will use ESG funds for operating expenses to provide homeless individuals that suffer severe mental illness with transitional housing and supportive services.

Lowenstein House

Funding Source: ESG \$9,600.00

Lowenstein House will use these funds for operational expenses to provide homeless prevention services. The services will include outreach and assessment and case management.

Memphis Family Shelter

Funding Source: ESG \$52,266.00

Memphis Family Shelter will use these funds to pay for the maintenance and operational expenses of a transitional shelter. The agency will provide transitional shelter for 150 homeless women and their children.

Memphis Interfaith Hospitality Network

Funding Source: ESG \$27,323.00

Memphis InterFaith Hospitality Network will use ESG funds to provide essential services for homeless families in providing transitional housing and supportive services. Memphis InterFaith will serve 78 individuals.

Memphis InterFaith Hospitality Network

Funding Sources: ESG \$22,100.00

Memphis InterFaith Hospitality Network will use ESG funds for operating expenses to provide homeless families with transitional housing and supportive services.

MIFA (Estival Communities)

Funding Source: ESG \$45,000.00

Metropolitan Inter-Faith Association (MIFA) will use these funds for the on going operational costs of providing maintenance and residential utilities for 65 housing units that make up Estival Communities.

Salvation Army

Funding Sources: ESG \$10,000.00

Salvation Army will use these funds for homeless prevention activities, including utility and rental assistance. Salvation Army expects to assist 15 households with utility assistance and 3 households with rental assistance per month.

Salvation Army

Funding Sources: ESG \$35,000.00

Salvation Army will use these funds to pay for utilities and food for homeless clients in the emergency shelter. The agency will provide 1,064 bed nights of emergency shelter for women and their children.

Whitehaven SW Mental Health

Funding Sources: ESG \$10,500.00

The Southwest Mental Health Center will use these funds for operational expenses to provide homeless prevention services. The services will include outreach and assessment for 525 individuals, 270 intakes, 100 rent, and 300 people through case management.

Whitehaven SW Mental Health

Funding Sources: ESG \$32,093.00

Southwest Mental Health Center will use these funds for essential services including the salary of an outreach case manager that will provide homeless prevention services to the serious mentally ill homeless.

Continuum of Care Match

Funding Source: HOME \$500,000.00

These funds will be used to provide up to fifty percent of the required match for HUD Continuum of Care permanent supportive housing applications. The project will encourage the provision of permanent supportive housing for the disabled. Funds will be used for acquisition, new construction or rehabilitation of affordable rental housing. All projects will meet the lease requirements of HOME – assisted rental housing.

SPECIAL NEEDS POPULATIONS

Special needs populations were classified into seven different categories. The categories are HIV/AIDS, Mentally Ill, Elderly, Chronic Substance Abusers, Developmentally Disabled, Physically Disabled, and Victims of Domestic Violence. Elderly needs include the Frail Elderly.

While many projects and programs are carried out through HCD itself, funding for most projects and programs are awarded through a competitive process known as The Strategic Community Investment Funds (SCIF). SCIF makes funds available annually on a competitive basis and are awarded to eligible nonprofit, for-profit, faith-based, and other organizations to implement public service, community and economic development programs. The funds available through this process are awarded to programs that benefit low and moderate income persons of Memphis as defined by HUD's income criteria. SCIF is modeled after the U.S. Department of Housing and Urban Development's SuperNOFA process and is intended to simplify the competitive funding process.

Another funding source that can be used to provide assistance to organizations who serve special needs groups is the Community Service Grant Awards (CSG), which uses Community Development Block Grant (CDBG) funds. Memphis Food Bank and Women in Community Service are considered an essential service and are funded on a non-competitive basis. Housing Opportunities for Persons With AIDS (HOPWA) funds are used for supportive services, short-term housing and utilities and short-term rental assistance. HOME funds are used for Tenant-Based Rental Assistance (TBRA). The City will use various agencies to administer TBRA. Administration will be determined through a competitive process. A request for proposals will be issued and service providers will request funding based upon services identified in their proposals. Key elements for selection of awards will be based upon the agency's ability to provide case management and follow up services. The awards will establish a set number of units that each agency will serve. The types of agencies that may apply are ones that serve the mentally ill, elderly, physically disabled, developmentally disabled, victims of domestic violence, and persons with HIV/AIDS.

Priority needs, existing services and programs, and strategies to respond to priority needs were reached based upon input received through research and consultation with agencies that serve special needs populations. Consultation with service providers included planning session groups. The planning session groups brought together service providers in a group setting and discussion was facilitated to reach consensus on the needs and priority needs of special needs populations.

The following section presents the priority needs, objectives, strategies, and one-year performance measures for each of the seven special needs populations.

HIV/AIDS Population

HIV/AIDS Priority Needs: Affordable housing, emergency/transitional housing, and rent and utility assistance for HIV/AIDS is given a high priority.

HIV/AIDS Objective: To improve the self-sufficiency of persons with HIV/AIDS through supportive services and permanent housing.

HIV/AIDS Strategies

- Continue to develop a full range of housing activities for persons with HIV/AIDS, especially women with children
- Support advocacy groups that serve children infected or affected by HIV/AIDS
- Create additional units available to persons with HIV/AIDS who are head of household through HOME Tenant-Based Rental Assistance (TBRA)

One-Year HIV/AIDS Performance Measures

- Develop permanent housing coordinated with supportive services for persons with HIV/AIDS 8 units
- Develop rental assistance program or otherwise supportive housing units for women with HIV/AIDS and their children 10 units
- Create additional units that utilize TBRA 20 units

Mentally Ill Population

Mentally Ill Priority Needs: High priority needs for the mentally ill are housing and supportive services.

Mentally Ill Objective: To increase the number of appropriate permanent supportive housing units and transitional housing units for individuals with serious mental illness and/or dually diagnoses.

Mentally Ill Strategy

- Encourage and support the creation of additional units of permanent supportive housing units and transitional housing units for individuals with serious mental illness and/or dually-diagnosed

One-Year Mentally Ill Performance Measures

- Develop appropriate permanent supportive housing units for the mentally ill 10 units
- Development of transitional housing units for seriously mentally ill persons 8 units
- Create additional units that utilize TBRA 8 units

Elderly Population

Elderly Priority Needs: The high priority needs for the elderly are supportive services, assistance with the costs associated with meeting housing needs including; assistance with housing repairs to enable elderly to remain in their homes and for protection from predatory lenders.

Elderly Objective: To assist the ability of the elderly to live independently through supportive services and assistance with home care, home repair and rental assistance.

Elderly Strategies

- Support for elderly care services including transportation services, nutrition services, homemaker services, and other services as needed
- Provide HOME Tenant-Based Rental Assistance (TBRA) and utility assistance to the elderly
- Encourage home repair and maintenance for the elderly homeowners
- Support renovation and/or expansion of facilities that provide services for the elderly

One-Year Elderly Performance Measures

- | | |
|---|------------------------|
| • Senior Supportive Services | 250 elderly households |
| • Assist home repair and maintenance for elderly homeowners | 100 units |
| • Support the development of rental housing for the elderly | 75 units |

Chronic Substance Abusers Population

Chronic Substance Abusers Priority Needs: High priority needs are funding of existing treatment programs, better awareness of available treatment resources by the community, and better community support.

Chronic Substance Abusers Objective: To improve coordination, collaboration, and support of programs that treat chronic substance abusers.

Chronic Substance Abusers Strategies:

- Provide funding for existing treatment facilities and programs
- Development of primary health care clinic (based on the local, nationally recognized Church Health Center model) specifically or primarily for low-income people (including homeless people) with chemically dependencies and/or mental illness

One-Year Chronic Substance Abusers Performance Measure

- | | |
|---|------------|
| • Fund existing treatment facilities and programs | 1 programs |
|---|------------|

Developmentally Disabled Population

Developmentally Disabled Priority Needs: High priority needs are increasing options for developmentally disabled to choose from: the development of “specialty” housing, respite housing, and transportation.

Developmentally Disabled Objective: To develop housing and services that promote independent living for the developmentally disabled.

Developmentally Disabled Strategies:

- Encourage the development of a continuum of housing options to allow the developmentally disabled to choose the type of housing in which they wish to reside.
- Enforce 504 construction specifications when federal funds are used for housing construction.
- Support the construction of respite housing.
- Support the establishment of a database listing all accessible units in Memphis for the developmentally disabled.

One-Year Developmentally Disabled Performance Measure

- Develop permanent housing that is adequate for persons with development disabilities

10 units

Physically Disabled Population

Physically Disabled Priority Needs: High priority needs for persons with physical disabilities are accessible housing, accessible parking, transportation, employment and education.

Physically Disabled Objective: To increase the number of accessible units for persons with physical disabilities.

Physically Disabled Strategies:

- Provide HOME Tenant-Based Rental Assistance (TBRA) and utility assistance to persons with physical disabilities
- Enforce 504 construction specifications when federal funds are used for housing construction
- Encourage housing development to be coordinated with a source of main line transportation
- Support the establishment of a database listing all accessible units in Memphis for the physically disabled

One-Year Developmentally Disabled Performance Measure

Develop housing that is accessible for persons with physical disabilities

10 units

Victims of Domestic Violence

Victims of Domestic Violence: High priority needs for Victims of Domestic Violence are information/advocacy to encourage victims to use services, housing assistance, adequate wages, adequate supply of affordable housing, programs/prosecution to help reduce the likelihood that the perpetrator will continue the abuse.

Victims of Domestic Violence: To increase opportunities to help victims of domestic violence to break the cycle of violence by funding programs that respond to housing and supportive service needs.

Victims of Domestic Violence:

- Develop a short term crisis shelter with longer time limits/barriers for abused women and their children to obtain privacy and security rights after they have left the perpetrator
- Support the provision of supportive on-site services at the crisis shelter
- Encourage proper education and training for staff at existing domestic violence shelters to properly deal with clients who have experienced domestic violence
- Increase public awareness of the problem of domestic violence
- Provide HOME Tenant-Based Rental Assistance (TBRA) and utility assistance to victims of domestic violence

One-Year Victims of Domestic Performance Measure

- | | |
|--|-----------|
| • Create additional units that utilize TBRA | 8 units |
| • Fund programs that provide shelter and/or supportive services to victims of domestic violence and their children | 1 program |

The following table presents the proposed projects and activities that will be used to meet the needs of Special Needs Populations described above.

FY 2005 Special Needs Populations Proposed Projects and Funding

Project Name	Funding Source(s)	Funding Amount
Friends for Life	CDBG	\$46,000.00
Memphis Child Advocacy Center for Sexually Abused Children	CDBG	\$38,857.50
Court Appointed Special Advocates (CASA)/Volunteer Training	CDBG	\$33,180.00
Foundation Associates	CDBG	\$46,000.00
Help Care Shared Cost Homemaker Program	CDBG CDBG Re-Programmed	\$50,000.00 \$10,000.00
Housing Opportunities for Persons with AIDS	HOPWA	\$2,069,980.00
Title XX Program Match	CDBG	\$200,000.00
Tenant Based Rental Assistance	HOME	\$600,000.00
Tenant Based Rental Assistance Case Management	CDBG	\$136,202.50
The Exchange Club's Children/Adolescent's Domestic Violence	CDBG	\$34,760.00
TOTAL		\$3,264,980.00

FY 2005 Proposed Special Needs Populations Program/Project Descriptions

Friends-for-Life

Funding Sources: CDBG \$46,000.00

Friends for Life will use the funds to coordinate the delivery of medical and supportive services to persons with HIV/AIDS.

Memphis Child Advocacy Center for Sexually Abused Children

Funding Sources: CDBG \$38,857.50

The program provides prompt and on-going treatment to abused children and their families, reducing the child's trauma and providing child-friendly services in a child-focused environment. Funds will be used to help pay salaries of the Outreach Coordinator and Social Services Specialist.

Court Appointed Special Advocates (CASA) Volunteer Training

Funding Sources: CDBG \$33,180.00

Court Appointed Special Advocates (CASA) operates a child advocacy program which serves abused and neglected children who come before Juvenile Court. CDBG funds

will help pay the salary of the Volunteer Coordinator who recruits and trains volunteers to serve as advocates for the children in Court proceedings.

Foundation Associates

Funding Sources: CDBG \$46,000.00

Foundation Associates is the supporting agency for the Power Center, which provides transportation, recreation, education, socialization, and advocacy services to severely mentally ill persons. CDBG funds will be used to hire a part-time van driver, enhance current operational costs, and purchase items used in direct services to clients in order to expand current services.

Help Care Homemaker Service Plus

Funding Sources: CDBG \$50,000.00
CDBG Re-Programmed \$10,000.00

The Help Care Homemaker Service Plus will provide basic homemaker services, including general cleaning, meal planning, errands, escorts to medical appointments, laundry and companionship to elderly and disabled persons in order to allow them to stay in their homes rather than to institutionalize them.

Housing Opportunities for Persons with AIDS Projects

Funding Sources: HOPWA \$2,069,980.00

These funds are made available through the Strategic Community Investment Fund process and will be distributed to organizations on a competitive basis. These funds are used to address housing needs along with supportive services, short-term housing and utilities, and short-term rental assistance.

Title XX Program Match – Help Care Project

Funding Sources: CDBG \$200,000.00

SSBG provides homemaker/caretaker services to the elderly and disabled residents of certain Census Tracts. With the assistance of Homemaker Aides, participants are empowered to increase their independence, becoming more self-sufficient. Homemakers also aid in preventing neglect and abuse from other adults. CDBG funds are used to provide for the costs of operating this program and will help to provide services in FY 2005.

Tenant-Based Rental Assistance

Funding Sources: HOME \$600,000.00

Tenant-Based Rental Assistance (TBRA) provides rental assistance combined with comprehensive supportive services. FY2005 Funds could potentially be used to provide TBRA to persons with HIV/AIDS, mentally ill, victims of domestic violence, elderly, physically disabled, and developmentally disabled.

Tenant-Based Rental Assistance Case Management

Funding Sources: CDBG \$136,202.50

CDBG funds will be used to provide intensive housing-related case management to participants in the City's various Tenant Based Rental Assistance and Shelter Plus Care Programs. These programs provide access to housing for homeless and special needs populations. The funds will pay the operating costs of the assistance programs. The purpose of the program is to ensure that the TBRA clients receive adequate services to deal with their mental health and service needs and to encourage the development of self-sufficiency and stability in permanent housing.

The Exchange Club

Funding Sources: CDBG \$34,760.00

The Children/Adolescent Domestic Violence Program, implemented by The Exchange Club, will provide a comprehensive program of support services, assessments, safety planning and counseling for children and adults that have experienced domestic violence. CDBG funds will pay a portion of several staff salaries to provide direct services to clients.

NON-HOUSING COMMUNITY DEVELOPMENT

[Neighborhood, Community and Economic Development]

In its FY 2005 Annual Plan, Memphis' Non-housing Community Development activities includes neighborhood/community, public services and economic development activities. For that reason, this section is referenced as *Neighborhood, Community and Economic Development*. HCD consulted with community-based organizations, Community Housing Development Organization's (CHDO's), neighborhood and community development professionals and economic development specialists to assess and develop priority needs and objectives as listed below. In order to meet federal statutory goals and the primary objective of the Community Development Block Grant (CDBG) program, this section also includes specific long and short-term community development objectives.

For the 2005-2007 Consolidated Plan, HCD developed long-term and short-term objectives for Neighborhood, Community and Economic Development that were designed to meet the City's vision of:

1. alleviating slum and blight conditions;
2. building viable neighborhoods of choice that provide amenities & services commensurate with quality-of-life standards;
3. supporting investments in neighborhood/community development activities that create job and work-force development opportunities; and
4. enhancing the well being of low/moderate income residents and their children, and special needs populations by funding the delivery of direct services by eligible nonprofit agencies

Long Term Objectives

- ☐ To support the redevelopment of targeted areas
- ☐ To support organizations that provide public services that seek to create employment alternatives and training, and the expansion of small business opportunities in targeted areas
- ☐ To increase the number of neighborhood and public facilities in targeted areas

Short Term Objectives

- ☐ To implement targeted area demolition and clean-up initiatives to remove slum and blight conditions
- ☐ To provide infrastructure improvements that support redevelopment of targeted areas
- ☐ To develop area/neighborhood redevelopment plans
- ☐ To develop Neighborhood Resource Centers in target areas

Inner-city neighborhoods in Memphis continue to deteriorate due to significant disinvestment, commercial and residential population declines and overall blight. In tandem with the City's administration having established redevelopment and neighborhood revitalization as high priorities, the Consolidated Plan's 2005-2007 Three-Year Strategy and FY 2005 Annual Plan reflects this emphasis. Neighborhood redevelopment strategies include targeting areas and neighborhoods that have been selected for public improvements and community services that will foster neighborhood improvement. Given the tremendous amount of blight in these neighborhoods, as well as the level of disinvestment, a sustained/integrated approach to redevelopment is

required. This degree of redevelopment requires a level of commitment that will cover several years to make a real difference. Also important is the selection of neighborhoods that have Community Development Corporations (CDC's). The presence of a CDC is critical to help plan and execute the overall redevelopment as well as insure the redevelopment plan continues to be implemented and sustained.

The functional consolidation of HCD and the Memphis Housing Authority has enabled the City to leverage the resources and tools as provided by the HOPE VI initiatives to build upon both housing and physical improvement activities for neighborhood redevelopment. Neighborhood plans will be prepared. Not all areas are targeted for redevelopment. For those areas revitalization activities will include smaller-scaled projects and initiatives that will yield benefits in a shorter amount of time.

An implementation plan will be a component of the Neighborhood Plan which will include a coordinated set of objectives, responsibilities and timeframes for completion.

Slum and blight removal will be carried out on an interim basis. CDBG funding will be used as HCD works in conjunction with code enforcement and the City Fire Department's Anti-Neglect team to develop a systematic approach to slum and blight conditions in targeted areas. Two programs are proposed for funding to address slum and blight - Targeted Area Demolition and Targeted Area Neighborhood-Clean-up Initiatives. A property Development Center will be established as a centralized resource center to receive and manage properties acquired by the City or resulting from demolition and responses to dilapidated and deteriorated buildings that pose a hazard.

In the FY 2005 Annual Plan, Memphis has committed over \$6,000,000.00 in CDBG funding for projects that respond to neighborhood, community and economic development. HCD's response to public services and facility needs is primarily accomplished through a request for proposal process known as the Community Service Grant application process. The overall competitive process for grant awards is coordinated through the Strategic Community Investment Fund (SCIF). The City's ability to address the many community service needs is limited by a 15% cap placed on the use of CDBG funds for public services. The Annual Plan also proposes the funding of several essential type services that address the needs of the elderly and economically disadvantage populations. In additionally the City General Funds totaling over \$5 Million will supplement Memphis' efforts to respond to the overall non-housing community development needs.

Economic Development activities funding are basically provided through the City's General Fund. The Renaissance Business Center is a City funded service that is located at 555 Beale Street that provides a "one-stop-shop" small-business development and assistance center. The center provides technical assistance and has assembled a group of service providers to coordinate and implement various economic development strategies that are designed to increase access to capital and support small, women/minority business enterprises. A host of service providers are located at the center including the Tennessee Small Business Association, the Black Business Association, along with the City's Micro Loan Program, the Contractor's Assistance Loan and Bonding Programs.

In FY 2005, HCD will plans to establish two (2) new *Neighborhood Resource Centers*. These centers are proposed for the Hyde-Park and Klondyke/Smokey City targeted

redevelopment areas. These centers will provide a number of services for community and economic development including: office space for neighborhood based CDC's and non-profit organizations; job/skills training services; clearinghouses for information; neighborhood police offices; and community meeting facilities.

The FY 2005 Annual Action Plan's priority needs, specific objectives and measurable outcomes for non-housing community development are presented in the following tables and include those activities reflecting Neighborhood, Community/Economic Development, and Public Services.

Neighborhood, Community & Economic Development Objective I: *To develop plans that propose adaptive reuses of vacant properties that contribute to slum and blight in targeted areas/neighborhoods.*

FY 2005 Performance Measures

- Prepare three (3) neighborhood plans that maximize the use of publicly owned, vacant lots and buildings
- Establish and operate the Property Development Center to coordinate anti-neglect initiatives, property maintenance and disposition of city-owned properties for redevelopment
- Use all powers available to HCD, Community Redevelopment Agency and MHA to acquire properties for neighborhood redevelopment

Proposed projects to meet Neighborhood, Community/Economic Development Objective I

*Targeted Demolition
Targeted Neighborhood Clean-up
Property Assembly
Neighborhood Plans
City-wide Planning
Property Maintenance
Property Development Center
Urban Gardening*

Neighborhood, Community & Economic Development Objective II: *To fund and implement plans that will facilitate the redevelopment and revitalization of targeted areas*

FY 2005 Performance Measures

- | | |
|--|----------------|
| • Develop Neighborhood Plans | 3 Plans |
| • Implement Neighborhood Redevelopment in Targeted Areas | 3 Areas |
| • Provide land acquisition as contribution to projects | |
| • Implement slum and blight removal initiatives | 6 Target areas |

Proposed projects for Neighborhood, Community & Economic Development Objective II

*Development Relocation
Targeted Demolition
Frayser Development Plan Implementation
Lamar Terrace*

Neighborhood, Community & Economic Development Objective III: *To give preference to grant requests from organizations and businesses that provide employment training and job opportunities that provide a living wage and to expand small business development efforts in targeted areas*

FY 2005 Performance Measures

- Revise the Community Service Grant application to provide preferences for job training and placement and the development of skills leading to employment 100 Persons
- Coordinate commercial revitalization projects in targeted areas 3 Projects

Proposed projects to meet Neighborhood, Community & Economic Development Objective III

*Women in Community Services
Neighborhood Resource Centers
Memphis Literacy Council*

Neighborhood, Community & Economic Development Objective IV: *To fund activities that provide recreational, after school, and life enrichment opportunities for youth from primarily low/moderate income families*

Annual Performance Measures

- Youth Athletic Activities 150 Youth
- Summer Enrichment Opportunities 75 Youth
- Summer Academic Activities 35 Youth
- Educational Achievement 25 Youth & Parents

Proposed projects for Neighborhood, Community & Economic Development Objective IV

*Summer Enrichment Sports Program
Summer Enrichment II
Achieve Academy Co-op
REAP
SWEEP
B.O.L.D Brothers
Bridges, USA, Inc.
Girls, Inc.
Kappa Alpha Psi
Memphis Urban League
S.M.A.R.T.*

Neighborhood, Community & Economic Development Objective V: *To fund non-profit organizations that provide essential, supportive and public services to senior and elderly persons and programs that seek to improve the self-sufficiency of very-low to moderate-income persons.*

Annual Performance Measure

- Study bank lending practices 1 Study
- Support programs that seek to enable self-sufficiency amongst participants 1 programs
- Support help-care/homemaker services for the elderly 150 persons
- Provide job/skills training and employment placement 25 persons

Proposed projects for Neighborhood, Community & Economic Development Objective V

*MACRO Bank Lending Study
WIC Employment Training
Memphis Literacy Council
Food Bank
Senior Citizens Services
Title XX Match and Homemaker/Caretaker Services
Urban Gardening*

Neighborhood, Community & Economic Development Objective VI: *To provide funding and support for the renovation and development of public facilities that serve the elderly, special needs populations, and very-low to moderate income persons*

FY 2005 Performance Measure

- Use the competitive grant program (Community Services Grant Program) to fund the construction and rehabilitation of public facilities 1 Project

Proposed projects for Neighborhood, Community & Economic Development Objective VI

*Community Services Grants
Special Needs Matching Grant*

The following table presents the proposed projects and activities that will be used to meet the Neighborhood, Community & Economic Development needs and objectives described above:

**FY 2005 Neighborhood, Economic & Community Development Proposed Projects
and Funding**

Project Name	Funding Source(s)	Funding Amount
Neighborhood Clean-up & Demolition	CDBG Reprogrammed	\$3,000,000.00
Target Neighborhood Demolition	Program Income	\$600,000.00
North Memphis Resource Center	Program Income	\$250,000.00
Klondyke-Smokey City Resource Center	Program Income	\$350,000.00
Property Assembly	Program Income	\$244,977.00
Property Maintenance	Program Income	\$110,637.00
Targeted Infrastructure	CDBG CDBG Reprogrammed	\$430,712.00 \$669,288.00
Women in Community Services Match	CDBG	\$75,000.00
Property Development Center Projects	CDBG	\$298,000.00
Summer Enrichment Sports Program	CDBG	\$135,000.00
Summer Enrichment II	CDBG	\$36,000.00
Achieve Academy Co-op	CDBG	\$13,500.00
Radon, Energy and Air Project (REAP)	CDBG	\$13,500.00
Solid Waste Environmental Enrichment Project (SWEEP)	CDBG	\$10,800.00
Chicago Park Place	Program Income	\$50,040.00
Memphis Food Bank	CDBG	\$75,000.00
Urban Gardening	CDBG	\$41,000.00
Memphis Literacy Council	CDBG	\$39,500.00
Memphis Urban League	CDBG	\$45,000.00
Kappa Alpha Psi	CDBG	\$35,000.00
S.M.A.R.T.	CDBG	\$25,000.00
B.O.L.D. Brothers	CDBG	\$35,000.00
Bridges, USA, Inc	CDBG	\$39,500.00
Girls, Inc.	CDBG	\$46,000.00
TOTAL		\$6,668,454.00

FY 2005 Proposed Neighborhood, Economic & Community Development Program/Project Descriptions

The following descriptions are provided for the proposed non-housing community development activities and projects.

Neighborhood Clean-up & Demolition

Funding Sources: CDBG Reprogrammed \$600,000.00

Funds will be used on an interim assistance basis to implement a special target area clean-up program designed to remove trash and debris, clean and maintain lots, and to remove hazardous structures causing slum and blight conditions.

Targeted Neighborhood Demolition

Funding Sources: Program Income \$3,000,000.00

CDBG funds will be used for demolition and clearance of vacant, blighted, and abandoned structures within the targeted neighborhoods listed in the section describing the geographic distribution of funds.

North Memphis Resource Center

Funding Sources: Program Income \$250,000.00

These funds are proposed for a public facility that will be located in the Chelsea/Hollywood area in North Memphis. This grant will be used for the renovation of a building that will serve the predominately low-income neighborhood by providing services that include: job-skills training and employment assistance, youth activities, community meeting facilities, offices for non-profit organizations who provide housing and community development services.

Klondyke-Smokey City Resource Center

Funding Sources: Program Income \$350,000.00

These funds are proposed for a public facility that will be located in the Klondyke-Smokey City area. This grant will be used for the renovation of a building that will serve the predominately low-income neighborhood by providing services that include: job-skills training and employment assistance, youth activities, community meeting facilities, offices for non-profit organizations who provide housing and community development services.

Property Assembly

Funding Sources:	Program Income	\$244,977.00
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Funds will be used to pay for the cost of acquiring properties for development projects.

Property Maintenance

Funding Sources:	Program Income	\$110,637.00
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These funds pay for the costs of maintenance such as cutting grass and weeds on City-owned vacant lots.

Targeted Infrastructure

Funding Sources:	CDBG	\$430,712.00
	CDBG Reprogrammed	\$669,288.00

Funds will be used to provide site improvements (streets, sidewalks, etc.) and public improvements in support of housing development in target areas.

Women in Community Serves Match

Funding Sources:	CDBG	\$75,000.00
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A component of the Families First Memphis Consortium, WIC provides employment and life-skills training to AFDC recipients and those of low to moderate-income levels. CDBG funds are used to provide for the costs of operating this program.

Property Development Center

Funding Sources: CDBG \$298,000.00

Funds will be used to pay salaries and overhead costs directly related to enforcing local codes in blighted areas targeted for redevelopment.

Summer Enrichment Sport Program

Funding Sources: CDBG \$135,000.00

This one-week summer athletic program is held at ten different high schools located in the inner city. The focus of the program is athletics, as well as mentoring, academic tutoring, and motivation. The locations are determined by the program director and may be changed annually, depending on particular activities offered at each school. It is estimated that 3,500 youth will participate in this program in FY2005.

Summer Enrichment II

Funding Sources: CDBG \$36,000.00

This program targets at-risk low-income youth who attend Hamilton Middle School in South Memphis. Academic and social activities are included to discourage youth from joining gangs and to motivate them to be interested in school.

Achievement Academy Co-op

Funding Sources: CDBG \$13,500.00

This program introduces at-risk youth from Northside High School to careers in health care that do not require college education such as, nursing aides, and technicians. Fifteen (15) students will participate in this program and will receive training at the Regional Medical Center.

Radon Energy and Air Project (REAP)

Funding Sources: CDBG \$13,500.00

This program teaches students about different aspects of the elements natural gases and radon. They are taken on-site to locations such as the Memphis Vehicle Inspection stations to learn about the danger of radon and the emission of gases from auto vehicles. 25 students will benefit from this program in FY 2005.

Solid Waste Environmental Enrichment Project (SWEEP)

Funding Sources: CDBG \$10,800.00

This eight-week program targets low and moderates income youth that are interested in mathematics and natural sciences. The course of study relates to environmental issues as they pertain to solid waste management. Instruction is conducted at waste treatment plants, as well as traditional classroom and laboratory environments. Partners in the program include MLGW, North Treatment Plant, TVA, and the U.S. Corps of Engineers. Ten students will benefit from this program in FY 2005.

Chicago Park Place

Funding Sources: Program Income \$50,040.00

Space is leased in the Chicago Park School which was renovated with CDBG funds to provide affordable rental units for the elderly and public facility space that houses community meeting areas and a police mini-precinct.

Food Bank

Funding Sources: CDBG \$75,000.00

The Food Bank collects and distributes surplus food donated by food establishments. Drivers pick up surplus food in a refrigerated truck and deliver to nonprofit organizations that serve on site meals.

Memphis Urban Gardening

Funding Sources: CDBG \$41,000.00

This initiative is provided through a sub-contract with the extension services of the Tennessee State University's Agricultural Program. In addition to utilizing vacant city-owned lots, it serves senior citizens in primarily low to moderate-income census tracts and provides gardening supplies and technical assistance. Participants are given assistance in planting a vegetable garden, producing nutritious, fresh food. In FY 2005, it is estimated that 300 persons will benefit from this program.

Memphis Literacy Council

Funding Sources: CDBG \$39,500.00

Memphis Literacy Council will use these funds to partially pay for Operating Expenses for two Program Coordinators. The Literacy Program will assist 50 low income families and individuals 18 or older who read below an eight grade level to improve their basic reading and writing skills, encourage families to read aloud to their preschoolers, and assist other groups who are interested in building literacy. The program will assess the reading capacity of adults, provide tutoring, computer training, and free reading material to increase the level of reading comprehension.

Memphis Urban League

Funding Sources: CDBG \$45,000.00

The Memphis Urban League will use CDBG funds for operating expenses for a Center Coordinator, Education Initiative Director, Chief Financial Officer, and Chief Executive Officer. The program will be an after school project that will serve low-income children and their parents in Orange Mound. The program will provide training classes, meetings and individual dialogues for parents to take increased responsibility to help their children

Kappa Alpha Psi

Funding Sources: CDBG \$35,000.00

Kappa Alpha Psi will use these funds to provide tutoring in Science, Mathematics, and English for 200 at risk children in the surrounding communities of A. B. Hill and Guthrie

Elementary Schools. The program will offer basic computer operation training in the after school program. Also, the program will offer a Crime Prevention Program that will provide positive behavioral standards for the youth by the Memphis Police Department on Saturdays.

S.M.A.R.T.

Funding Sources: CDBG \$25,000.00

St. Mary's Alabama Redevelopment Team (SMART) will provide after school program for 200 children and youth 7 to 16 years old who are from low and moderate income families. The program will focus on academic performance, self-esteem, computer literacy, reading and math skills, mentoring, and improving conduct and attendance in school.

B.O.L.D. Brothers

Funding Sources: CDBG \$35,000.00

B.O.L.D. Brothers Army will use these funds for essential services to pay the salaries of a Director, Administrative Assistant, Project Coordinator, and two Assistant Director positions. B.O.L.D Brothers will provide leadership instructional training to 40 youths monthly and computer skills development to 30 youths annually.

Bridges, USA, Inc.

Funding Sources: CDBG \$39,500.00

The Art Bridges Program, administered by Bridges, Inc., provides instruction in the visual arts (sculpture) to 160 middle school and high school from local schools. Funds for this after-school and summer project will pay a portion of the operating expenses for the program.

Girls Inc.

Funding Sources: CDBG \$46,000.00

Girls, Inc. will use these funds to provide a comprehensive peer-led health promotion program for girls ages 6 to 14 in the UpTown area (Greenlaw/Manassas).

ADMINISTRATION & PROGRAM DELIVERY

CDBG Administration

Funding Source: CDBG \$1,746,831.45

In FY 2005 CDBG Administration costs total \$1,746,831.45. CDBG program administration funds are used for overall program management, monitoring, and evaluation that are not in direct support of eligible activities. A more detailed definition of eligible program administration costs can be found in the Federal CDBG Regulations at 24 CFR 570.206.

Program administration includes the costs for staff to:

- Provide local officials and citizens information about HCD's programs
- Prepare budgets and schedules
- Develop monitoring systems to ensure compliance with federal and other regulations
- Develop agreements with other agencies, subrecipients, and contractors to carry out programs
- Monitor program activities for progress and compliance with requirements
- Prepare reports and other documents required by HUD
- Coordinate the resolution of audit and monitoring findings
- Evaluate program results against stated objectives
- Provide information and other resources to residents and citizen organizations who participate in the planning, implementation, or assessment of activities
- Provide Fair Housing Services designed to further the fair housing objectives of the Fair Housing Act
- Submit application for Federal Programs
- Conduct research

CDBG funds are not only used for the administration of activities proposed for fiscal year 2005 but also for the management of prior year entitlement funds. Also included in the total are planning activities, public information activities, and homeless coordination activities. Administrative funds also support the management of City funds, State funds, other Federal funds, and all other funds that HCD receives. The pursuit of other funds for the City is also sustained by these administration funds.

Planning and Management Development

Funding Source: CDBG \$60,000.00

In addition to Administration costs, Planning and Management Development funds will pay for the costs of preparing plans and to support research efforts related to plan development.

City-wide Strategic Planning

Funding Sources: CDBG \$60,000.00

Funds will be used to support activities that are involved in the development of a city-wide strategic and comprehensive plan.

Neighborhood Plans

Funding Sources: CDBG \$60,000.00

A series of neighborhood plans will be prepared in conjunction with the neighborhood redevelopment strategies and objectives outlined.

HOME Administration

Funding Source: HOME \$510,015.00

HOME regulations permit the City to use ten percent of the annual HOME allocation for HCD staff who are responsible for HOME program administration. Only those HCD Departments who administer HOME funded-activities utilize the allocated HOME administrative funds.

HOME administration funds may be used for the following HOME administrative assignments:

- Developing systems and schedules for ensuring compliance with HOME program requirements
- Monitoring HOME-assisted housing and housing with designated monitoring funds
- Preparing reports, HOME agreements, and other documents
- Coordinating the resolution of monitoring and audit funding
- Administrative services under third-party agreements
- Administering tenant-based rental assistance programs
- Preparing a Consolidated Plan
- Providing public information
- Complying with other federal requirements

CHDO Administration

Funding Sources: HOME \$255,008.00

HOME funds amounting to 5% of the HOME grant is made available to HCD staff for the management and administration of CHDO's.

Emergency Shelter Grant (ESG) Administration

Funding Source: ESG \$18,357.00

Federal regulations permit the city to use up to five percent (5%) of its Emergency Shelter Grant entitlement to pay for the costs associated with administering this grant. Administrative costs include accounting, report preparation, program audits, staff salaries and costs related to project implementation by sub-contractors.

Housing Opportunities for Persons With AIDS (HOPWA) Administration

Funding Source: HOPWA \$64,020.00

In FY 2004, funds will be provided to sub-contractor, the United Way of the Mid-South, to pay indirect cost associated with general management, oversight, coordination, evaluation and reporting relative to the implementation of the eligible activities.

Program Delivery

Funding Source: CDBG \$3,960,498.05

HUD defines program delivery as “activity-specific administrative costs related to carrying out other eligible activities which are considered part of the costs of those activities”. Staff and overhead costs that are directly involved in carrying out functions in direct support of a CDBG eligible activity are eligible as part of such activities. Program delivery costs are not authorized as program administration according to HUD regulations.

The Division of Housing and Community Development incurs program delivery costs in carrying out functions which support programs such as housing rehabilitation, public services, public facilities and improvements, construction of housing, and economic development activities.

Specific examples of program delivery costs include necessary document review, document preparation, and management of activities through the Integrated Disbursement and Information System.

OTHER ACTIONS

In FY 2005, Memphis will undertake the following actions in response to the categories identified below.

A. Actions to address obstacles to meeting under-served needs

The Continuum of Care planning process will continue to be conducted by the City's sub-contract agreement with Partners for the Homeless (Partners) and the Greater Memphis Inter-Agency Coalition for the Homeless (GMICH). GMICH will continue to assist in the planning process by ensuring there is input from the broader community. Partners in collaboration with GMICH will again produce the *Needs Assessment for Homeless and Other Special Needs Populations*. HCD will give particular attention to outreach efforts and expanding options to serve the severely mentally ill who are homeless.

HCD will redesign its program to develop rental and multi-family housing outlined in 2005 Annual Plan. The PILOT program for Multi-Family Development and the Multi-Family Housing Program by HCD are two programs initiated by HCD in 2003 and will continue in 2005 to address the need for multi-family housing in Memphis.

A strategic planning process will move to the next level of developing implementation plans. This effort will build upon the recommendations for the creation of institutions that will evaluate community needs, identify resources, and improve the use of resources in ways that will enhance the delivery of services.

B. Actions to foster and maintain affordable housing

In FY 05, HCD will continue to support new affordable housing construction by contracting with nonprofit and for-profit housing developers. There are several new CHDOs are now beginning to implement housing rehabilitation and new construction projects. These organizations were the beneficiaries of capacity-building grants for the previous two years. New program changes will be implemented in FY2005 that will target and concentrate the impact of home improvements geographically; expand the number of beneficiaries; and convert the major rehabilitation programs for an all grants program to a program having a graduated loan feature. Partnerships with nonprofit CDC, CBDO, and CHDO as well as for-profit developers will continue to be an important part of the HCD affordable housing strategy.

C. Actions to remove barriers to affordable housing

The Three-Year Strategic Plan noted that the most obvious and basic barrier to securing affordable housing is the lack of adequate household income. In 2000, Memphis approximately 20 percent of households had incomes below the poverty level, and 31.7 percent of households have incomes below 50 percent of the median family income. Most of these households simply do not have the ability to compete for market rate housing, and some form of public subsidy is necessary to provide affordable housing. Beyond the basic issue of low income, there is general consensus that many households in Memphis have credit problems and lack the basic skills to manage their finances.

In 2005, the HCD housing rehabilitation programs will continue to help low-moderate income homeowners to maintain properties that have fallen into disrepair and are in danger of becoming uninhabitable. The City and HCD also will continue to provide down-payment assistance to eligible homebuyers. The City also funds the Housing Resource Center, which provides pre-qualification services for potential homebuyers. HCD will assist with the funding of an expanded Homebuyer's Expo and lending. In addition to tenant-based assistance that HCD provides to special needs renters, the new Multi-Family Housing Program will include investment incentives for rehabilitation of multi-family properties in targeted areas. The investment incentives will be provided upon the basis of affordable rent structures for low and moderate renters. HCD and the Memphis Housing Authority will continue the development efforts with for-profit partners in existing and new HOPE VI redevelopment projects.

D. Actions to evaluate and reduce lead-based paint hazards

The City received a Lead-Hazard Demonstration Grant through the SuperNOFA totaling \$2,599,715 to inspect and clear 285 multi-family housing units of lead paint. Also, HCD and its Single-family Rehabilitation Program will partner with the Shelby County Housing Department to use the county's HUD Lead-Paint Grant to remove lead-based paint while the city's program will rehabilitate owner-occupied housing units with children under six (6) years of age.

The HCD HARP program will continue to use both CDBG and HOME funds in its owner-occupied rehabilitation efforts. HCD will set aside five percent of HOME funds for CHDOs who will use the funds for housing rehabilitation. Lead hazard reduction funding for CHDOs is a non-competitive process.

E. Actions to reduce the number of poverty level families

HCD participated in a number of initiatives toward poverty reduction in Memphis. These include the Memphis Opportunity Fund and other programs that provide job and life skills training, assisted and transitional housing, and micro-enterprise development. Job creation through major economic development activities is another critical part of HCD's strategy. A majority of the funding used to support job/life skills training and micro-enterprise development is provided through direct City general revenue funding. As prescribed by HUD, assistance to low and moderate income families remains a focal point of HCD's mission.

The City of Memphis Division of Housing and Development has also built alliances with the local financial institutions (Federal Home Loan Bank of Cincinnati, First Tennessee Bank, National Bank of Commerce, and Union Planters Bank). The primary objective of the partnership was to create a loan fund, Memphis Business Opportunity Fund (MBOF). The MBOF is designed to promote access to capitals for small businesses, with nontraditional needs. The MBOF provides funding resources for individuals desiring to start a business or entrepreneurs wishing to grow and expand their existing business in the Memphis City limits. This program is targeted for small, minority, and women owned businesses.

F. Actions to develop institutional structure

HCD was functionally consolidated with the Memphis Housing Authority (MHA) in 2000. The institutional structure of HCD/MHA is currently organized by twelve "key result areas" led by a senior management team. The institutional structure allows the agencies to eliminate duplication of positions at each agency and to consequently save critical resources and also to maximize the effectiveness by managing the key functions in the consolidated entity. HCD/MHA continually evaluates the institutional structure and looks for ways to enhance it.

Several factors have contributed to the enhancement of the institutional structure of HCD. First, continual decreases in funding have exposed a need to operate on a more efficient level. Second, today's challenging economic and business environments dictate that we explore creative ways to operate more efficiently.

There is an unprecedented emphasis on planning and this provides an opportunity to rethink and restructure the way that HCD and MHA conduct their housing, community, and economic development. This will enable the agencies to thoroughly examine duplication and other crosscutting issues that hinder our ability to serve the community in the most time sensitive and customer friendly manner.

To further the development of internal institutional structure, agency strategic goals have been developed. These include compliance/reporting/policy & asset protection, housing for low/moderate income citizens, social/human/special needs services, economic development opportunities for low/moderate income citizens, planning and development, investment/improvement in human resources, and communications/ marketing/public relations.

There is also an emphasis on overall system improvements and enhancements to enhance the institutional structure. HCD/MHA will improve effectiveness and efficiency by dedicating resources and energy toward the improvement of internal systems and processes. The organization will also improve the design and delivery of programs and services using empirical data to support program changes and new programs. Last, HCD/MHA will insure that programs remain appropriately linked to its mission and strategic plan.

HCD/MHA also recognizes the growing importance of partnerships with nonprofit, for-profit, public, philanthropic and other organizations to carry out its housing and community development objectives. The agency works with such organizations in a variety of ways. We provide funding through contracts to operate programs and projects. We also work with educational institutions to undertake research efforts to identify needs and recommend solutions. Such partnerships are especially critical in that they leverage the dollars received to accomplish more and create a larger impact.

G. Actions to enhance coordination between housing and social service agencies

LeMoyne-Owen College, the University of Memphis, Rhodes College, and Southwest Tennessee Community College undertake outreach efforts in Memphis communities. In FY 2005, these institutions will expand their working relationships with MHA and HCD to bring expertise and other resources that exist within universities to redevelopment areas

through the Community Outreach Partnership Centers (COPC) and HCD Neighborhood Resource Centers. Students at Rhodes College, LeMoyne-Owen College, the University of Memphis, and Christian Brothers University receive internship placements through HCD. The internship program provides opportunities for students to work with area community based organizations in ways that complement their studies and career goals. Additionally, HCD will work with universities on a variety of research and planning efforts including problem property inventories, code enforcement strategies, and specific neighborhood strategies.

Memphis Shelby County Health Department

The HCD lead hazard reduction program is implemented in coordination with the Memphis and Shelby County Health Department (MSCHD). MSCHD conducts lead screenings, tests homes for lead hazards, and makes referrals to HCD for hazard reduction projects.

Memphis Fair Housing Alliance

The Memphis Fair Housing Alliance is a partnership between HCD and Shelby County Housing, along with Memphis Area Legal Services and the Fair Housing Center and other housing organizations.

The *Center for Neighborhoods* works with HCD on a number of neighborhood oriented initiatives, especially in the area of support for smaller neighborhood based organizations to engage them in broad clean-up strategies, code enforcement, and other issues that are critical to healthy neighborhoods.

HCD/MHA and the *Office of Planning and Development (OPD)* will continue to work together in the preparation of the Citywide Strategic Plan and neighborhood-planning activities that focus on targeted neighborhoods. In addition to the need to rezone inner city areas, neighborhood planning efforts are designed to encourage affordable housing, spur redevelopment, and to expand and create economic opportunities for low and moderate income residents. Additionally, OPD and HCD coordinate carefully on redevelopment plans to insure that plans match zoning, land use, and other conditions.

The *Memphis Police Division* will continue to use Community Policing as a key strategy to combat crime in our communities. Based on community need and demand, the police use bicycle patrols, create neighborhood substations, promote business and neighborhood watch groups, and use a police ambassador program to hear from communities.

The *Public Works Division* is responsible for infrastructure and improvements for the City of Memphis, including water mains, lighting, and streets. HCD will continue to work closely with Public Works on a number of levels related to affordable housing and neighborhood development. Many of the targeted neighborhoods need significant lighting improvements, street paving, streetscapes, and other improvements, so HCD will work closely with Public Works to insure that activities are budgeted.

Memphis Light Gas and Water (MLGW) provides a special program to provide incentives for developers of low-income housing and developers of housing in the inner-city, including utility rebates. The collaborative effort between MLGW, Metropolitan Inter-Faith Association, Shelby County, HCD, the United Way of the Mid-South, the Community

Foundation of greater Memphis, and DHS to assist participants in learning how to manage their finances and reduce energy consumption continues in FY2005.

The *Memphis Area Transit Authority (MATA)* will work closely with HCD/MHA to find solutions for low-income people needing transportation to work including plans for a light rail that will link residents and jobs downtown, in the Medical Center, and at the airport.

The *Memphis Fire Department* contains a department aimed to enforce the anti-neglect ordinance and eliminate the blight in the community that vacant and/or dangerous commercial properties inflict. HCD will work very closely with them to identify these properties and to take the measures necessary to eliminate this blight.

Center City Commission

The Center City Commission is the primary organization to direct “the comprehensive redevelopment of Downtown as the economic, cultural, and governmental heart of the city and county” (City Code, chapter 7). City and County Mayors Willie W. Herenton and AC Wharton continue to support the Center City Commission in its role as the official partnership between local government and the private business community in revitalization of Memphis’s downtown and Medical District. Armed with planning expertise and the financial incentives to encourage development, the Center City Commission receives the support of HCD in its efforts. These efforts include: the development of the Main Street Mall and accompanying downtown neighborhood, the central business district streetscape improvements, the trolley/light rail extension through the Medical District, expansion of the riverwalk and Riverside Drive improvements, the mixed-income neighborhood development at the north end of downtown, and many other public and private downtown improvements.

State of Tennessee

Historic tax credits and low income housing tax credits will continue to leverage CDBG and HOME funds in the rehabilitation and development of affordable housing in Memphis, including the Lauderdale Courts, Uptown and other downtown projects.

Other Federal Initiatives

Two HCD sponsored activities, the Renaissance Business Center and MACRO (described in detail in the project description section), will continue to work closely with FDIC and other federal banking regulators, as well as with staff at the Federal Reserve.

U.S. Department of Housing and Urban Development (HUD)

The U.S. Department of Housing and Urban Development provides valuable support and technical assistance to HCD, especially through the Community Planning Department. The local HUD office also works closely with HCD in planning and implementing successful programs.

Private Foundations

As government resources for community development decrease, HCD recognizes the need to engage philanthropic organizations who also have community development as part of their mission. These working relationships provide opportunities to leverage scarce resources on behalf of both the public and private sectors.

HCD is part of the *Memphis DEBT Collaborative*, and organization that is working to reduce the number of bankruptcies in Memphis and to improve the financial health of the community. The high debt carried by many individuals in Memphis is an obstacle to meeting many community development goals including increasing the homeownership rate, foreclosures, reductions in the tax base, and many others.

PROGRAM SPECIFIC REQUIREMENTS

CDBG Specific Requirements

The Division of Housing and Community Development estimates that in FY 2005 (PY 2004) it will receive an estimated \$2,518,653 in Program Income.

HOME Program Specific Requirements

HOME ADDI Funds

The City of Memphis will use the American Dream Downpayment Initiative (HOME ADDI 03 and ADDI 04) funds to implement its Downpayment Assistance Program (DPA) that will provide assistance to low/very-low income first-time homebuyers who qualify for mortgage loans from locally approved lenders.

The proposed program design includes the following features:

- A five-year period of affordability is established as the time for which the homebuyer is required to live in the home as a primary residence. If during the affordability period the homebuyer seeks to refinance, sell, rent, transfer or otherwise convey the home to new ownership, the loan becomes due and payable at the pro rata reduction term of 20% per year.
- Maximum purchase price may not exceed 95% of the FHA 203(b) mortgage limit for this area.
- For homes with purchase prices of \$85,000 or less, the maximum downpayment assistance will be limited to 6% of the sales price not to exceed \$10,000.
- For homes with purchase prices greater than \$85,000 and up to the maximum 95% of median purchase price for the area (currently \$160,176), the downpayment assistance will be limited to 6% of the sales price. Applicants that request assistance in purchasing homes in this price range will receive the downpayment assistance in the form of a second mortgage loan that will amortized over sixty (60) months @ an interest rate not to exceed 3%.
- Homebuyers whose household incomes are equal to, or less the 50% of the median family income (MFI) may receive a deferred payment loan that reduces the loan by one-fifth (or 20%) on the anniversary date of the loan.
- Homebuyers whose MFI is between 51-80% of MFI may receive a deferred payment loan only if re-payment of the loan causes the applicant's qualifying ratio to exceed the loan underwriting standards. In cases where loan

repayment does not cause the applicant's qualifying ratio to exceed the loan underwriting standards, the loan becomes repayable over the five-year period of affordability at established terms.

- Public housing residents or those subject to displacement from Memphis Housing Authority housing may receive a maximum deferred payment loan up to \$10,000.
- Qualified applicants must use their own funds to pay at least 1% of the purchase price as a minimum cash contribution toward closing costs.

Outreach to residents of public housing and other families assisted by public housing agencies – The Division of Housing and Community Development (HCD) has designed brochures that are use to describe and promote its Downpayment Assistance Program. In addition, HCD will use the Memphis Housing Authority's (MHA) Quarterly Newsletter and its Section 8 Quarterly Newsletter to reach and inform those receiving public housing assistance of the special downpayment assistance provided for public housing residents.

Action taken to ensure that families that receive downpayment assistance are suitable to undertake and maintain homeownership – Prospective homebuyers are required to participate in and complete a housing counseling program that may consist of a one-on-one session or a classroom style approach. The City maintains a referral list of Tennessee Housing Development Agency or HUD-approved housing counseling agencies who will provide a minimum of 8-10 hours of homebuyer education and training and homebuyer qualification to all program participants. In cases that involve mortgage delinquencies, special provisions will be made to continue on-going counseling and to develop corrective strategies to default situations where possible.

Tenant Based Rental Assistance

HCD uses HOME funds for Tenant-Based Rental Assistance (TBRA). TBRA is administered through Family Services of the Mid-South and in conjunction with referrals from the City Lead-Safe Communities Program.

Family Services of the Mid-South administers TBRA for lead based paint, domestic violence and severely mentally ill, and the families of persons with HIV/AIDS. The Health Department refers families to Family Services when elevated blood levels are detected in children. Family Services helps the family find an apartment to live in while their previous place of occupancy is being abated. TBRA is used for lead base paint situations because there are no service providers that fill this unmeet need. Shelters, victims assistance program, and the YWCA Shelter refer victims of domestic violence to Family services. TBRA is also used for victims of domestic violence because there are no service providers that fill this unmeet need. Family Services also administers TBRA for the severely mentally ill. This special need group has been identified through the Gaps Analysis as having a high priority need for housing.

Recapture Guidelines for HOME funded projects

The City of Memphis Division of Housing and Community Development, in compliance with 24 CFR 92.254(a)(4), uses the following recapture guidelines in the implementation of HOME program funded activities for homeowner assisted and homebuyer programs. Memphis' Single-family Rehabilitation Program provides direct assistance to the homeowner in the form of a deferred loan.

The period of affordability shall be based on the per-unit subsidy as provided under 24 CFR Part 92.254(4). (Per-unit subsidies may not exceed those established by HUD for the HOME program.)

Affordability Period – HOME per unit Homeownership Assistance

1. Based on a per-unit subsidy of less than \$15,000.00 per unit, the period of affordability shall be no less than five (5) years.
2. Based on a per-unit subsidy of \$15,000.00 to \$40,000.00 per unit, the period of affordability shall be no less than ten (10) years.
3. Based on a per-unit subsidy of more than \$40,000.00 per-unit, the period of affordability shall be no less than fifteen (15) years.

Recapture Guidelines

Exception: Some Memphis HOME Program homebuyer activities provide indirect subsidy funding (i.e. through developers - either non-profit CHDO's or private for-profit developers). These "developer subsidies" are used to reduce home development costs to affordable purchase levels by low/moderate income, first-time homebuyers. HOME regulations found at § 92.254 (a) (5) (ii) (5) state that if HOME assistance is used only as a development subsidy, it is not subject to recapture, and resale guidelines must be used.

Should an owner wish to sell a house that occurred from HOME Program assistance provided to a developer, if the proposed sale does not meet the affordability requirements for the specified time period, resale guidelines apply. Grantees will include in the sales agreement that deed restrictions, or covenants running with the land will be used to impose the resale requirements that ensure the following:

- Only a buyer whose family qualifies as a low-income family will be an eligible buyer; and
- The homebuyer shall occupy the property as the principal residence.

In the event of resale, the sales price must remain affordable to a reasonable range of low-income homebuyers. As a guide, the maximum percentage of the subsequent, new homebuyer's annual gross income (AGI) that can be used to pay the costs of principal, interest, taxes, and insurance should not exceed 35% of AGI. Notwithstanding, the seller is entitled to a fair return on investment that includes the homeowner's investment and any capital improvement that may be documented by approved permits evidencing completed improvements, executed improvement contracts, or filed Internal Revenue Service returns.

Lien, restrictive covenant or the deed restriction recorded with the property shall enforce these provisions.

For All Other Cases of Direct Assistance to the Homebuyer:

If a homebuyer desires to resell or transfer ownership of a HOME-assisted property during the affordability period, the recapture guidelines apply where direct HOME Program assistance has been received by the homebuyer.

HOME regulations found at § 92.254 (a) (5) (ii) permit the City to develop and enforce a recapture requirement to ensure the affordability period and to ensure that the housing will remain affordable to a reasonable range of low-income homebuyers. In events where a proposed sale does not comply with HOME regulations governing the period of affordability or income-eligibility, the following recapture provisions apply. Each original homebuyer, (who may become the homeseller), is entitled to receive a fair return on his/her investment which shall include the homeseller's out-of-pocket downpayment (closing) costs and any capital improvement that may be documented by approved permits evidencing completed improvements, executed improvement contracts, or filed Internal Revenue Service returns. The City will place these guidelines in its agreement with grantees and subrecipients who also shall include appropriate references to the recapture guidelines in its associated sales contract, deeds of trust, mortgages, and deed restrictions.

- 1) When the initial homebuyer desires to sell the HOME assisted unit to a non-eligible family, the following apply:
 - a) The seller will be entitled to pay-off of first/second mortgages; recover investment (or downpayment); and documented capital improvements expenses in that order;
 - b) Should proceeds remain, the City shall recapture the pro rata share that remains on a straight-line declining basis the HOME subsidy assistance that was provided to each housing unit. The amount repaid shall be reduced by a pro rata fraction (1/10th or 1/15th, etc.) according to the anniversary of the closing date for each calendar year that the original buyer occupies the property.
- 2) The sales price may not exceed the ability of a subsequent low-income family to purchase the home. In each specific case where this attempt is made, the following applies:
 - a) The seller will be entitled to pay-off of first/second mortgages;
 - b) At that point, the seller must determine if he will lower the sales price in order to comply with HOME regulations governing resale to eligible, low-income families;
 - c) Should proceeds remain, the seller shall be entitled to recover out-of-pocket downpayment costs; and documented capital improvements expenses in that order.
 - d) Should proceeds remain, the City shall recapture the pro rata share that remains on a straight-line declining basis the HOME subsidy assistance that was provided to each housing unit. The amount repaid shall be reduced by a pro rata fraction (1/10th or 1/15th, etc.) according to the anniversary of the closing date for each calendar year that the original buyer occupies the property.

- 3) When the homeowner chooses simply to not comply with the City's recapture option, has not made capital improvements, and seeks to resale the property at a price beyond the affordability of a low-income purchaser, the following will apply:
 - a) The seller will be entitled to pay-off of first/second mortgages;
 - b) The remaining proceeds may be recaptured by the City in an amount up to the full amount of the HOME subsidy assistance that was provided to the housing unit.

In the City's Replacement Housing and Single-family Rehabilitation Programs, a fifteen (15) year lien is used. If the property is abandoned within the 15-year period, the City has the right to foreclose and seize the property.

Upon the City's discovery that a violation of the terms and conditions of the restrictive covenant have been breached, the City of Memphis will pursue a legal remedy as expeditiously as practical.

Women and Minority Business Enterprises

It is city policy to require persons or organizations that enter into contractual agreement with the City to agree to efforts to employ minority and women's business enterprises. HCD, in its administration of HOME Program funded activities require that Grantees establish a minority participation goal that will apply to contractors, sub-contractors (and there employees) as may participate in program implementation and project development. Grantees will agree to make efforts to employ minority and women business enterprises in connection with activities funded under the HOME Program and the requirements of Executive Orders 11625, 12432, and 12138.

Affirmative Marketing

The City of Memphis in compliance with the Federal regulations published as the Final Rule on September 16,1996, for the HOME Investment Partnerships Act at Title II of the Cranston-Gonzalez National Affordable Housing Act, as amended, (42 U.S.C. 12701 et seq.) maintains affirmative marketing procedures and requirements for rental and homebuyer projects containing 5 or more HOME-assisted units. Persons or organizations that enter into contractual agreement with the City to develop projects consisting of 5 or more HOME-assisted units will take steps to provide information and otherwise attract eligible persons in the housing market area to available housing without regard to race, color, national origin, sex, religion, familial status or disability. (The affirmative marketing procedures do not apply to families with Section 8 tenant-based rental housing assistance or families with tenant-based rental assistance provided with HOME funds.) The affirmative marketing requirements and procedures require at minimum but are not limited to the following:

1. Developers of eligible HOME-assisted projects must adopt methods for informing the public, owners, and potential tenants about Federal Fair Housing Laws and the City's Affirmative Marketing Policy (e.g., the use of the Equal Housing Opportunity logotype or slogan in press releases and solicitations for owners, written communication to fair housing and other groups, and use of the City of Memphis Fair Housing Brochure).

2. Developers of eligible HOME-assisted projects must use the Equal Housing Opportunity logotype or slogan in any advertisement purchased from commercial media.
3. Developers of eligible HOME-assisted projects must display the Fair Housing Poster in view of any potential tenant, owner and the public.
4. To the extent practicable, the developer of eligible HOME-assisted units must use community contacts for marketing such units and reach out to inform and solicit applications from persons who would not likely apply without special outreach (e.g., neighborhood associations, community development corporations, places of worship, employment centers, fair housing groups, or housing counseling agencies).
5. Developers of eligible HOME-assisted units will maintain records that describe the actions taken to affirmatively market units and in such form to assess the results of these actions.
6. As a part of the City of Memphis HOME Program requirements, the City will monitor the compliance with these affirmative marketing procedures and requirements. The City will seek expeditious correction of any infractions and make referrals to proper enforcement agencies as appropriate and applicable.

Developers of affordable Housing units authorized under this Act or any other Federal housing law applicable to the jurisdiction of the City of Memphis must submit minority outreach procedures acceptable to HUD and the City of Memphis. This effort is to ensure inclusion, to the maximum extent possible, of minorities and women, and entities owned by minorities and women, in all contracts entered into by the City of Memphis with such persons or entities, public or private, in order to facilitate the activities of the City of Memphis to provide affordable housing authorized under this Act or any other Federal housing law applicable to the City of Memphis (i.e. real estate firms, construction firms, appraisal firms, management firms, financial institutions, investment banking firms, underwriters, accountants, and providers of legal services,. (Section 85.36(e) of Part 24 of the Code of Federal Regulations describes actions to be taken by participating jurisdictions to assure that minority business enterprises are used when possible in the procurement of property and services.)

Specific HOPWA Submission Requirements

The City of Memphis / Division of Housing and Community Development will use HOPWA funds to meet the urgent needs of persons with HIV/AIDS not being addressed by other public and private resources. The HOPWA program will fund programs that address the needs of persons with HIV/AIDS as determined in a recent survey / assessment. According to "A Survey-Based Assessment of Housing Needs Among Persons Living with HIV/AIDS and At-Risk Uninfected Persons Living in Shelters or Transitional Housing in the Memphis Area" completed by Dr. Thomas McGowan in May 2003, housing is a significant problem for persons with HIV/AIDS. The study, based on interviews with 341 individuals with HIV/AIDS, concluded that 23% of survey respondents did not have stable housing; 53% needed low- income housing; 47% needed rental assistance and 39% reported a need for utility assistance.

Projects using FY 04 and 05 HOPWA funds will primarily provide a range of housing services. HOPWA funds will be used to continue to help operate Peabody House, a short- term shelter for individuals with HIV/AIDS that can house up to 12 individuals at a time. A HOPWA-funded Tenant Based Rental Assistance program administered by Friends for Life in conjunction with Memphis Housing Authority Section 8 Department will help address the identified needs for low income housing and rent assistance for at least 35 households. The TBRA program will also provide intensive housing case management for participants and their families to encourage long term stability in housing. HOPWA funds will be used to provide case management services as well as short term rent, utility, and mortgage payments through a program administered by Family Services of the Mid-South. The program is being redesigned in cooperation with Randall Russell, of the Supportive Housing Collaborative of the Southeast. Friends for Life will receive HOPWA funds for operating costs of their permanent supportive housing program, supportive services for residents that live in the permanent supportive housing units, and the costs of providing alcohol and drug abuse treatment to 12 clients through another nonprofit alcohol and drug treatment agency. And, Sacred Heart, a nonprofit agency serving four counties in north Mississippi, will receive funds to provide short term rent, utility and mortgage assistance to persons in this primarily rural area.

Memphis Housing Authority's Section 8 program will be used to leverage the HOPWA-funded TBRA program. The TBRA program will provide a new link to MHA's publicly funded Section 8 program. Successful tenants in the HOPWA-TBRA program will be allowed to transition to Section 8 assistance after a period of successful, stable housing and the approval of both MHA and Friends for Life. At present, MHA does not give preference to any special needs groups and the Section 8 waiting list contains over 4,000 names. This rollover feature will provide a link to a significant public resource that is otherwise virtually unavailable.

Other resources will continue to be made available to persons with AIDS through the expenditure of HOPWA funds. HOPWA dollars will fund several activities for which no other public or private resources are available. Funding for several long-standing programs was eliminated when Memphis' allocation of HRSA Emerging Communities Funds was reduced by 50% in the winter of 2004. The activities had been identified as significant by the local AIDS Consortium but not approved for HRSA funding since they were not considered medical priorities. HOPWA funds will be used to fund several of these activities which will include transportation and nutritional counseling for persons

with HIV/AIDS. Otherwise, these services would be eliminated, much to the dismay of members of the local AIDS Consortium and community.

All HOPWA project sponsors for activities in the metropolitan area are selected through a competitive process. The process is coordinated with both the Division of Housing and Community Development's competitive application process (the Strategic Community Investment Fund or SCIF) and the local AIDS Consortia / Ryan White selection committee which is housed at United Way of the Mid-South in Memphis. Notices of funding availability are sent to all agencies that have applied for HOPWA and Ryan White / Emerging Community funds in the past and to any agencies identified by United Way / the AIDS Consortia or other sources that provide services to people with AIDS in the metropolitan area. This includes agencies in Tennessee, Mississippi and Arkansas, located outside the boundaries of Memphis but within the EMSA. The City has also contacted the Mississippi State Health Department, which administers HOPWA funds for the State of Mississippi, to obtain names of HOPWA providers in Tate, Tunica, and Marshall Counties in Mississippi that have recently been added to the Memphis/ EMSA. The HOPWA application and review process ensures that all project sponsors are eligible along with their proposed activities. The committee that selects all Ryan White / Emerging Communities projects also selects project sponsors and activities that receive HOPWA funding.

Specific ESG Submission Requirements

Eight (8) eligible applications were submitted to the Division of Housing and Community Development's Homeless and Special Needs Department in response to publication of the Emergency Shelter Grant Program application in September 2003. As part of HCD's Strategic Community Investment Funds competitive process for the fiscal period starting July 1, 2004, Emergency Shelter Grant applications were received by the deadline in November 2003. HCD staff for completeness and eligibility reviewed all applications. All that failed to meet the criteria spelled out in the Emergency Shelter Grant application criteria were eliminated and only the remaining eligible applications were submitted to the Emergency Shelter Grant Review Committee. Comprised of five (5) professionals in the field of social services and grant-funding, the Committee reviewed the applications, identified questions, contacted applicants for answers, and graded and ranked the applications based on criteria included in the application packet, and distributed the funding. Cuts in requested funding were based on the ranking of the application as well as priorities stated by the applicant in the application. The project sponsors are responsible for providing matching funds for the City's ESG funds. Each applicant specified the source of matching funds in their application. Applications that failed to include at least dollar for dollar source of matching funds were deemed ineligible and eliminated from the grant competition. The matching funds will be monitored regularly during the implementation of the ESG contracts.

MONITORING

This section describes the monitoring standards and procedures that HCD will use to monitor CDBG, ESG, and HOME compliance activities and to insure long-term compliance with program requirements.

HCD's compliance department oversees, project eligibility and approval, IDIS and project tracking, and long term monitoring. These three areas coordinate with the legal, accounting, and planning departments to insure overall project collaboration and to insure that projects are tracked from conception to long-term monitoring and tracking. Compliance is also a critical function of individual departments that administer programs. All HCD departments are in the process of finalizing policies and procedures to help insure compliance.

HCD's strategic personnel plan includes the training of all essential staff in HUD regulations, including CDBG, HOME, and the competitive grants it receives. The plans include the hiring of consultants as needed to train staff in a manner that enables them to effectively administer programs.

HCD has a project tracking system that it designed to insure that applicable program requirements are followed for every HUD funded project. Compliance staff have compiled a list of all HCD projects that includes budgets, number of units, contract status, IDIS numbers, and other information. The document is a summary of all projects/major resources in the division and the spending status. This is critical to insure adherence to the budget, draw downs, the public service cap, and the planning and administration cap.

The long-term project monitoring department coordinates with all other departments to insure the maximum effectiveness of the compliance department. This department effectively links and reconciles budgets, project tracking, IDIS, compliance, approval, monitoring, and records management.

The Law Division will continue to fund an assistant city attorney position assigned to HCD. In addition to other services, the attorney provides a legal review of all contracts to make sure that all legal requirements are met. Additionally, an internal auditor has been hired to provide and insure compliance with HUD financial standards.

Monitoring procedures for subrecipient activities are included in HCD's subrecipient management strategy. The manual provides a detailed outline of the City's policies and procedures for informing and monitoring its nonprofit subrecipients. In addition, HCD continues to consult with accounting firms to evaluate the financial management systems of subrecipient agencies in complying with HUD financial standards.